

# **AGENDA**

## **SEWARD CITY COUNCIL MEETING**

### **Tuesday, October 6, 2015 @ 7:00 PM**

**NOTICE IS HEREBY GIVEN** that a meeting of the City Council of the City of Seward, Nebraska will be held at 7:00 PM on Tuesday, October 6, 2015, in the Municipal Building Council Chambers, 142 North 7th Street, Seward, Nebraska, which meeting will be open to the public. The Mayor and City Council reserve the right to adjourn into Closed Session as per Section 84-1410 of the Nebraska Revised Statutes. An Agenda for such meeting, kept continually current, is available at the Office of the City Clerk, 537 Main Street, Seward, Nebraska, during normal business hours. Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's Office at 402.643.2928 no later than 3:30p.m. on the Friday preceding the Council Meeting.

City financial claims and related invoices will be available for Councilmember review, audit and voluntary signatures at Council Chambers beginning 30 minutes prior to the scheduled meeting time.

## **AGENDA ITEMS**

**CALL TO ORDER** – Mayor Eickmeier

**PLEDGE OF ALLEGIANCE-MOMENT OF SILENCE** - Mayor Eickmeier

**DISCLOSURE OF OPEN MEETINGS ACT & OTHER NOTIFICATIONS** - Mayor Eickmeier

This is an Open Meeting of the Seward Nebraska Governing Body. The City of Seward abides by the Nebraska Open Meetings Act in conducting business. A copy of the Nebraska Open Meetings Act is displayed on the north wall of this meeting room facility as required. Disclosure of meeting recording processes is posted in the Meeting Room. A participant sign-in sheet is available for use by any Citizen addressing the Council. Presenters shall approach the podium, state their name & address for the Clerk's record and are asked to limit remarks to five minutes. All remarks shall be directed to the Mayor who shall determine by whom any appropriate response shall be made. The City of Seward reserves the right to adjust the order of items on this Agenda if necessary and may elect to take action on any of the items listed.

**ROLL CALL** - Mayor Eickmeier

- 1. CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF SEPTEMBER 15, 2015 - Bonnie Otte**
- 2. CONSIDERATION OF CONSENT AGENDA**
  - A. Claims & Payables Reports
  - B. Infrastructure Cost Items Reimbursable Back to the City
- 3. CONSIDERATION OF AN ORDINANCE AMENDING WATER UTILITY RATES- Andrew Ross, NMPP & Bruce Smith**
- 4. AUTHORIZE PLACEMENT OF "WELCOME TO SEWARD" SIGN ON CITY PROPERTY ON EAST HWY 34 - Clarence Wattier**

- 5. CONSIDERATION OF MEMBERSHIP AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION - Jonathan Jank, SCEDC Executive Director**
- 6. CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION - Jonathan Jank, SCEDC Executive Director**
- 7. CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD CHAMBER OF COMMERCE - Kathy Evert, Interim Executive Director**
- 8. CONSIDERATION OF SETTLEMENT AGREEMENT WITH CHARLES AND LAVONNE EVANS REGARDING PURCHASE OF CEMETERY LOTS AT SEWARD GREENWOOD CEMETERY - City Attorney Hoffschneider**
- 9. CONSIDERATION OF SEWARD FOUNDATION APPLICATIONS - Becky Baker**
  - A. Consideration of Seward Memorial Library request in the amount of \$1,135 as a grant funding match to purchase a table and chairs for use with an Early Literacy Station (Bilingual) and Edge Tablet equipment.
- 10. CONSIDERATION OF A RESOLUTION AUTHORIZING THE LEASE/PURCHASE AND/OR FINANCE OF EQUIPMENT THROUGH CATERPILLAR FINANCIAL SERVICES CORPORATION - John Hughes**
- 11. REQUEST FOR UPDATE ON STATUS OF PROPOSED HOT MILL PROJECT TO INCLUDE DETAILS AND TIMELINE OF LAND PURCHASE OPTIONS ON RAIL CAMPUS PROPERTY - Councilmember Kamprath**
- 12. CITY ADMINISTRATOR'S REPORT- Bruce Smith**
- 13. CONSIDERATION OF A TORT CLAIM FROM JAY AND CONNIE SEITSINGER, 848 N 6TH ST FOR PERSONAL PROPERTY DAMAGE - City Atty Hoffschneider**
- 14. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION - Mayor Eickmeier**
- 15. ANNOUNCEMENT OF UPCOMING EVENTS - Mayor Eickmeier**
  - A. October 25 @ 10:00 a.m. - 5:00 p.m. - Seward Youth Center Fundraiser - 4th Street between Hwy 34 & South Street
  - B. October 31 @ 4:30-7:00 - United Methodist Church-Halloween Trunk N Treat-Northern Heights to Crestwood on N 5th
  - C. November 28 @ 5:30 p.m. - Annual Holiday Lighted Parade
- 16. MOTION TO ADJOURN**

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I, Bonnie Otte, the duly appointed, qualified and acting Assistant Administrator/Clerk-Treasurer/Budget & Human Resource Director of the City of Seward, Nebraska, hereby certify:

That the foregoing Notice of Meeting and Agenda for such meeting has been posted in the following places: Seward City Hall, Seward County Courthouse, Seward Memorial Library and CityofSewardNE.com

IN WITNESS WHEREOF, I have hereunto set my hand officially and affixed the seal of the City this 2nd day of October, 2015.

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Bonnie Otte

Assistant Administrator/Clerk-Treasurer/Budget & Human Resource Director

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G1**

**CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF  
SEPTEMBER 15, 2015 - Bonnie Otte**

**Administrative Report: A motion to approve the minutes as written or with modifications would be in order.**

**Staff Contact:**



September 15, 2015

The Seward City Council met at 7:00 p.m. on Tuesday, September 15, 2015, with Mayor Joshua Eickmeier presiding and Assistant Administrator /Clerk-Treasurer /Budget & Human Resources Director Bonnie Otte recording the proceedings. Upon roll call, the following Councilmembers were present: Jon Wilken, Ellen Beck, Sid Kamprath, Dean Fritz, John Singleton, Chris Schmit, Dick Hans. Other officials present: City Administrator Bruce Smith and City Attorney Kelly Hoffschneider. Absent: Barbara Pike.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Ordinance No. 2015-08, which was adopted on the 5th day of May, 2015; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, Seward County Courthouse, Municipal Building, and Seward Public Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

#### THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted on the north wall of the Municipal Building and copies are available on the north wall where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

#### 1. APPROVAL OF MINUTES OF SEPTEMBER 1, 2015 COUNCIL MEETING

Councilmember Fritz moved, seconded by Councilmember Singleton, that the minutes of the September 1, 2015 City Council meeting be approved.

Aye: Hans, Beck, Fritz, Wilken, Singleton, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

#### 2. CONSENT AGENDA CONSIDERATION ITEMS

Councilmember Singleton moved, seconded by Councilmember Beck, that the following Consent Agenda items be approved in one single motion:

- A. Claims & Payables Reports
- B. City Clerk-Treasurer Report
- C. City Codes Director Report
- D. Police Department Report
- E. Infrastructure Cost Items Reimbursable Back to the City.

CLAIMS LIST  
9-15-15  
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se,

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Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements; GU, Grounds Upkeep.

Advanced Floor Care Inc	Ma	250.00
Alliance Technologies	Se	558.00
Allied Surveying & Mapping	Se	476.90
Amazon.Com Credit Service	Su	1,125.20
Ameritas Life Insurance	Ins	235.30
Baack Andrea	Ex	25.00
Baker & Taylor	Su	1,534.58
Beaver Bearing Co York LLC	Bu	111.54
Berens-Tate Consulting Group	Se	3,000.00
Blue River Electric LLC	Bu	1,555.00
Blue Valley Pest Control	Bu	150.00
Brees Lute	Ex	25.00
Bryan Medical Center	Misc	1,187.00
Buell Tom	Ex	30.00
Burhoop Jon	Ex	25.00
Burt Mike	Ex	30.00
Capital Business-Cheyenne	Ma	79.00
Capital Business-Dallas	Ma	225.00
Cash-Wa Distributing Co	Su	142.80
Cattle National Bank/Trust	Eq Loan	12,657.50
City Seward Library Petty	Bu, Su	115.68
City Seward Merchant Services	Ex	1,462.72
City Seward Payroll Account	Payroll	114,356.14
Collins Jill/Corey	Ex	30.00
Concordia University	Lighting Inc	1,150.00
Concrete Industries Inc	Su	251.00
Consolidated Management	Meals	114.00
Danko Emergency Equipment	Uniform	857.73
Deere John Landscapes	Gu	115.82
Demco Inc	Su	373.42
Dowling Adam	Ex	25.00
Dutton-Lainson Co	Su	36,044.50
Else Regan	Refnd	50.00
Farmers Coop Seward	Gu, Su, Re	3,843.58
Fast Mart	Su	95.54
Fastenal Company	Su	26.96
Ford Credit Dept	Eq Loan	10,732.57
Friends Seward Memorial Library	Misc	3,210.00
Fyr-Tek	Re	36.73
Gale / Cengage Learning	Su	50.00
Gerdes Jared	Mi	72.45
Gerhold Concrete Co Inc	Su, Bu	3,381.40
Grafix Shoppe	Su	159.47
Graybar	Eq	745.64
H & S Plumbing Heating & AC	Bu	95.00
Helmink Printing Inc	Su	54.00

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Hobson Tim	Ex	25.00
Husker Electric Supply Co	Re, Gu, Su	1,409.72
Hydraulic Equipment Service	Re	1,151.72
Int'L Assoc Law Enforcement	Trng	300.00
J R Welding Inc	Ci	1,772.08
Jackson Services Inc	Ma	109.94
Jones Automotive	Re	505.00
Jorgensen Denis J	Ma	30.00
Juranek Jeff	Ex	25.00
Knott Nate	Ex	30.00
Koch Lacey	Ex	25.00
Konica Minolta Business	Se	786.19
Krahulik Owen / Stephanie	Ex	25.00
Kriz-Davis Co	Re, Su	3,386.78
Langner Michael	Ex	25.00
Last Mile Network Consultant	Se	73.00
Loos Josh	Ex	50.00
M C 2 Inc	Re	147.96
Matheson Tri-Gas Inc	Su	100.91
Mattson Ricketts Law Firm	Se	4,000.00
Menards	Su	4.44
Merle'S Garden Center	Gu, Su	263.05
Mid-America Recycling	Trailer	4,400.00
Mid-American Benefits Inc	Ins	197.75
Midwest Auto Parts	Re, Su	254.39
Midwest Pump & Equipment	Su	25.51
Midwest Service & Sales	Su	164.50
Miller Karl / Rachel	Ex	25.00
Motion Picture Licensing	Ins	120.00
Mueller Michael	Ex	25.00
Municipal Supply Nebraska	Re, Ci	4,890.92
Naber Krystel	Ex	30.00
Nat'L Geographic Little K	Su	15.00
Nebraska Emergency Medicine	Misc	467.62
Nebraska Equipment Inc	Su, Re	958.44
Nebraska Notary Association	Su	88.99
Nebraska Pub Pow-Des Moine	Se, Ut	602,868.94
Nebraska Recreation & Park	Dues	60.00
Nebraska Revenue	Ex	25.00
Nebraska Roads Dept	Su	576.00
Nebraska Rural Water Asso	Trng	150.00
Nebraska Sports	Eq	78.20
Nebraska Treasurer	Fees	40.74
Niemann'S Port-A-Pot LLC	Gu	250.00
Odeys Inc	Su, RE	3,276.00
One Call Concepts Inc	Eq	102.45
O'Reilly Auto Parts	Se	18.98
Orscheln Farm & Home	Su	91.89
Otte Bonnie	Mi	124.20
	3	

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Otte Donna	Mi	37.38
Pac 'N' Save Discount Foods	Su	85.06
Pankoke Henry W	Ma	220.00
Penas Dylan / Ann	Ex	30.00
Phillips Julie	Ex	30.00
Plains Equipment Group Inc	Re	361.83
Plunkett'S Pest Control	Bu	57.32
Precision Tool & Machine	Re, Bu	241.85
R & H Body Shop	Re	79.61
R & T Poured Walls	Se	5,500.00
Richters Inc	Bu, Eq	12,748.73
Rumery Lawn & Landscape	Su, Re	978.63
Runcie Scott	Ex	25.00
Salyer Justin	Ex	25.00
Sam'S Club (Lib-Rec-Pool)	Bu, Su	298.44
Schaefer Travis	Ex	30.00
Seward Aging Serv Foundation	Programs	975.00
Seward Area Chamber Commerce	Misc	25.00
Seward County Clerk/Reg Deeds	Se	16.00
Seward County Independent	Ex	733.86
Seward County Public Power	Ut	2,197.90
Seward County Treasurer	E911	14,959.35
Seward Electronics	Re	55.00
Seward Lumber & Home Center	Su, Bu, Re, Gu	1,041.02
Seward School District	Fines	130.00
Southeast Nebraska Dev District	Dues	4,500.00
Sports Express	Su	783.20
Steinmeyer Zach	Ex	25.00
Stokes Robert	Ex	25.00
Terracon Inc	Su	345.00
Tiger Direct Inc	Eq, Su	966.36
Time Warner Cable	Se	79.38
Tools Plus Industries LLC	Su	867.35
U S A Bluebook - Cust 812	Su	1,308.48
Vancura Brad	Ex	25.00
Verizon Wireless	Se	96.25
Visa - Pinnacle Bank	Su, Bu	126.57
Wesco Distribution Inc	Su	1,011.15
Windstream Nebraska Inc	Se	2,262.19
CLAIMS TOTAL		887,746.39

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

3. PUBLIC HEARING - 7:00 P.M. - CONSIDERATION OF CATERING APPLICATION FOR CURRENT CLASS L LIQUOR LICENSE OF BOTTLE ROCKET BREWING, LLC, 230 S 5<sup>TH</sup> STREET

Gerald Homp, Manager of Bottle Rocket Brewing, LLC, presented a request to add a catering license to their current Class L liquor license, which allows

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them to deliver, sell, or dispense alcoholic liquor, including beer, for consumption at premises designated in a special designated license.

Mayor Eickmeier opened the public hearing. Hearing no comment, Mayor Eickmeier closed the public hearing.

Councilmember Schmit introduced the following resolution:

RESOLUTION NO. 2015-21

BE IT RESOLVED by the Mayor and Council of the City of Seward, Nebraska, that,

WHEREAS, Notice of Application for a Catering (K) to Class L Liquor License for Bottle Rocket Brewing, LLC, dba Bottle Rocket Brewing, 230 S 5<sup>th</sup> Street, Seward, Nebraska was published in the Seward County Independent on September 2, 2015; cost of such publishing fee being \$11.25, and,

WHEREAS, a public hearing was held before the Mayor and Council of the City of Seward on September 15, 2015;

WHEREAS, no written protests were filed with the City, and no oral objections were heard by the Mayor and Council,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Seward, Nebraska, that a Catering (K) be granted to add to the Class L Liquor License for Bottle Rocket Brewing, LLC, dba Bottle Rocket Brewing, 230 S 5<sup>th</sup> Street, Seward, Nebraska.

Councilmember Fritz moved, seconded by Councilmember Kamprath, that the resolution be adopted. Upon vote, the following Councilmembers voted Aye: Beck, Fritz, Singleton, Hans, Wilken, Kamprath, Schmit. Nay: None. Absent: Pike.

The Mayor declared the resolution adopted.

Dated: September 15, 2015

THE CITY OF SEWARD, NEBRASKA

\_\_\_\_\_  
Joshua Eickmeier  
Mayor

ATTEST:

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator/Clerk-Treasurer  
Budget & HR Director

(SEAL)

4. CONSIDERATION OF AMENDING CLASS L LIQUOR LICENSE FOR BOTTLE ROCKET BREWING, 230 S 5<sup>TH</sup> STREET TO INCLUDE OUTDOOR BEER GARDEN

Gerald Homp, Manager of Bottle Rocket Brewing, LLC, presented a request for a 65' x 24' L-shaped outdoor area addition to the north/northwest of the existing licensed building for the purpose of a beer garden.

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Councilmember Singleton moved, seconded by Councilmember Fritz, that the request to amend Bottle Rocket Brewing, LLC's current Class L Liquor license to include the addition of a 65' x 24' L-shaped outdoor area to the north/northwest of the licensed existing building for the purpose of a beer garden be approved.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

5. CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR BOTTLE ROCKET BREWING, LLC, 230 S 5<sup>TH</sup> STREET

Councilmember Singleton moved, seconded by Councilmember Schmit, that a special designated liquor license be issued to Bottle Rocket Brewing, LLC, for a Grand Opening/Octoberfest event to be held October 23 & 24, 2015 at Bottle Rocket Brewing, 230 S 5<sup>th</sup> Street.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

6. PUBLIC HEARING - 7:00 P.M. - CONSIDERATION OF PRELIMINARY AND FINAL PLAT OF TWIN OAKS DEVELOPMENT 6<sup>TH</sup> ADDITION

Public Facilities/Capital Improvement & GIS Director John Hughes presented a preliminary and final plat for a 2-lot addition to Twin Oaks located north of Birch Street. The subdivision involves re-platting two lots, making one lot bigger and one lot smaller. Mr. Hughes stated the subdivision conforms to the City's Comprehensive Plan Future Land Use map with Industrial use type. There is no change in zoning at this time, with the plan to add buildings for enclosed storage.

Mayor Eickmeier opened the public hearing. Hearing no comments, Mayor Eickmeier closed the public hearing.

Councilmember Hans moved, seconded by Councilmember Schmit, that the preliminary plat of Twin Oaks Development 6<sup>th</sup> Addition be approved.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

Ordinance No. 2015-13 approving the final plat of Twin Oaks Development 6<sup>th</sup> Addition was adopted.

7. PUBLIC HEARING - 7:00 P.M. - NOTICE OF 2015-2016 BUDGET HEARING AND BUDGET SUMMARY ON ADOPTING A DIFFERENT PROPERTY TAX LEVY FROM PRIOR YEAR

City Administrator Smith and Assistant Administrator/Clerk-Treasurer /Budget & Human Resources Director Bonnie Otte presented the proposed 2015-2016 City Budget stating the levy remains as it was for the current year budget of 0.3530.

Mayor Eickmeier opened the public hearing to hear support, opposition, criticism, suggestions, or observations regarding the proposed 2015-2016 Budget and to hear support, opposition, criticism, suggestions or observations relating to setting the Final Tax Request at a different amount than the prior year tax request, which includes an additional one percent (1%) increase in restricted funds.

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Hearing no further comment from the public, Mayor Eickmeier closed the public hearing.

Councilmember Singleton introduced the following resolution:

RESOLUTION NO. 2015-22

WHEREAS, pursuant to Section 77-1601.02 of the Nebraska Revised Statutes, the Governing Body of the City of Seward Nebraska held a public hearing on Tuesday, September 15, 2015 at 7:00 p.m. at the Council Chambers, 142 N 7<sup>th</sup> Street, Seward for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the 2015-2016 final property tax request at a different amount than the 2014-2015 property tax request, and

WHEREAS, said hearing was published in a legal newspaper as required by law, and,

WHEREAS, the following requirements were in said published notice:

2014-2015 Property Tax Request	\$1,354,143.15
2014 Tax Rate	0.318000
Property Tax Rate	0.305586
(2014-2015 Request/2015 Valuation)	
2015-2016 Proposed Property Tax Request	\$1,409,153.94
Proposed 2015 Tax Rate	0.318000

WHEREAS, 0 people were present to comment on the proposed modification of said tax request at said hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

The final levy of 0.318000 for fiscal year 2015-2016 for the City of Seward Nebraska is hereby approved.

All previous resolutions in conflict with this resolution are hereby revoked.

Councilmember Beck moved, seconded by Councilmember Fritz, that the resolution be adopted. Upon vote, the following Councilmembers voted Aye: Beck, Fritz, Singleton, Hans, Wilken, Kamprath, Schmit. Nay: None. Absent: Pike.

The Mayor declared the resolution adopted.

Dated: September 15, 2015

THE CITY OF SEWARD, NEBRASKA

ATTEST:

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator/  
Clerk-Treasurer/  
Budget & Human Resource Director

(SEAL)

September 15, 2015

Councilmember Schmit moved, seconded by Councilmember Singleton, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and approving Ordinance No. 2015-13 AN ORDINANCE TO APPROVE THE PLAT ENTITLED "TWIN OAKS 6<sup>TH</sup> ADDITION TO THE CITY OF SEWARD, SEWARD COUNTY, NEBRASKA," AS HEREINAFTER SET FORTH, LOCATED WEST OF PINE STREET, SOUTH OF LOT 6 OF TWIN OAKS 5<sup>TH</sup> ADDITION, NORTH OF BIRCH STREET; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT and Ordinance No. 2015-14, "AN ORDINANCE TO ADOPT THE BUDGET STATEMENTS TO BE TERMED THE BUDGET AND ANNUAL APPROPRIATION BILL; TO APPROPRIATE SUMS FOR NECESSARY EXPENSES AND LIABILITIES; TO PROVIDE FOR AN EFFECTIVE DATE; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM" be preserved and kept in a separate and distinct volume known as "Ordinance Record, City of Seward, Nebraska" and that said separate and distinct volume be incorporated in and made a part of these proceedings the same as though it were spread at large herein.

Aye: Schmit, Hans, Beck, Fritz, Wilken, Singleton, Kamprath

Nay: None

Absent: Pike. Motion carried.

#### 8. CONSIDERATION OF APPROVAL OF CAPITAL IMPROVEMENT PROJECT PLAN FOR 2015-2016

City Administrator Bruce Smith presented the 2015-2016 Capital Improvement project plan. He stated this plan was part of the budget which was just adopted and did not feel it necessary to take action. Mr. Smith stated he plans to organize the Capital Plan differently in future years and there will be less maintenance type items on the plan. He said Administration will continue to come back to Council on Capital Improvement Projects, even though they are approved in an annual plan.

The Council briefly discussed whether they should set some dollar amount for capital items on the list to be individually approved by Council. Public Facilities/Capital Improvement & GIS Director John Hughes stated that anything over \$5,000 must be listed on the Capital Improvement Plan, per prior Ordinance. It was agreed that the Capital Improvement Plan provides a forecast for capital outlay for future years and was a good tool and they would like to discuss in the future some options of the format of the plan.

Councilmember Singleton moved, seconded by Councilmember Hans, that the 2015-2016 Capital Improvement Project Plan be approved as presented, with continued discussion on future capital project plan format.

Aye: Schmit, Hans, Beck, Fritz, Wilken, Singleton, Kamprath

Nay: None

Absent: Pike. Motion carried.

#### 9. CITY ADMINISTRATOR REPORT

City Administrator Bruce Smith mentioned he attended a Nebraska Energy Symposium, which included energy suppliers. He stated the City's contract with NPPD is up for renewal in 2021; however, it is likely that the NPPD representative will be on the agenda in October requesting the City renew the contract. Mr. Smith stated he will likely be asking the Council to consider hiring a consultant to review other opportunities prior to committing to the NPPD contract.

Councilmember Singleton moved, seconded by Councilmember Fritz, that the City Administrator's Report dated September 15, 2015 be accepted.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath



September 15, 2015

Nay: None

Absent: Pike. Motion carried.

10. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

Councilmember Kamprath stated he will be requesting an agenda item for an update on Project Hot Mill and also an item for information on dates when the rail site land purchase options are up for renewal.

11. ANNOUNCEMENT OF UPCOMING EVENTS

None.

12. MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Fritz, that the September 15, 2015 City Council Meeting adjourn.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Kamprath

Nay: None

Absent: Pike. Motion carried.

THE CITY OF SEWARD, NEBRASKA

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator  
Clerk-Treasurer  
Budget & Human Resources Director

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G2**

**CONSIDERATION OF CONSENT AGENDA**

*Claims & Payables Reports*

*Infrastructure Cost Items Reimbursable Back to the City*

**Administrative Report:** After review of listed Consent Agenda items and supporting documents/reports, one motion to approve the consent agenda would be in order. Council may choose to pull any item from the Consent Agenda and consider/act on it separately.

**Staff Contact:**

CLAIMS LIST  
10-6-15  
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements, Gu, Grounds Upkeep.

Alliance Technologies	Se		3,457.00
Amazon.Com Credit Service	Su, Bu, Misc		2,554.96
American General Life Ins	Ins		339.00
American Library Assoc	Dues		269.00
Ameritas Life Insurance Co	Ex		235.30
Art On Display	Su		1,230.00
Awards Unlimited Inc	Su		56.00
Baker & Taylor	Su		551.37
Baldinger Charlotte	Mi		26.45
Barnes & Noble Bookseller	Su		31.92
Battery Universe	Su		499.50
Black Hills Energy	Ut		187.32
Blue Cross Blue Shield Ne	Ins		53,767.47
Blue River Electric LLC	Se		710.40
Boggs Seth	Se		705.00
Capital Business-Dallas	Ma		341.20
Cash-Wa Distributing Co	Su		434.55
Chase Card Service			3,353.01
Holiday Inn Express	Trng	284.70	
WalMart	Su	265.30	
ACT*GP ADA Center	Trng	400.00	
Embassy Suites	Meals, Trng	406.44	
Round the Bend Stkhouse	Meals	60.00	
Menards	Bu	34.21	
Interstate All Battery	Su	22.14	
Adobe*ExportPDF	Ex	-23.88	
Zoomshift	Ex	70.00	
Paypal	Su	61.60	
Alert All Corp	Su	1,772.50	
City Seward Buildings/Gr	Operations		2,000.00
City Seward General Fund	Frnchs/Park Fees		637,740.29
City Seward Library Petty	Bu, Su		252.33
City Seward Payroll AcCnt	Payroll		115,067.00
Collins ME Contracting Co	Ci		16,640.00
Commonwealth Electric Co	Ci		12,725.00
Consolidated Management	Meals		146.75
Constellation Newengergy	Ut		78.11
Continental Fire/Alarm/De	Se		190.00
Deere John Landscapes	Su		91.68
Delta Dental	Ins		1,436.40

Dutton-Lainson Co	Su	34,600.00
Emergency Medical Product	Su	388.36
Fair-Play Company	Ci	45,990.00
Fastenal Company	Su	118.05
Gabriel Burger Else Cpa PC	Se	7,000.00
Garden Gate Magazine	Su	39.00
General Code	Se	2,570.40
Gerdes Jared	Mi	72.45
Gerhold Concrete Co Inc	Su	25,387.14
Great Plains Communication	Se	586.00
H & S Plumbing Heatin AC	Bu, Se	767.58
Herb'S Window Service	Ma	650.00
Hireright Solutions	Se	34.15
Hobson Automotive & Tire	Re	307.38
House Beautiful Magazine	Su	26.97
Husker Electric Supply Co	Su	2,580.00
Hydraulic Equip Service	Re, Bu	1,184.64
I E S Commercial Inc	Ci	81,622.26
Int'L Public Management	Su	314.50
J R Welding Inc	Su	148.74
Jackson Lindsey	Refnd	13.20
Jackson Services Inc	Ma	109.94
Johnson Bryce C	Me, Mi	161.46
Jones Automotive	Se, Eq	9,002.18
Koranda Construction	Bu, Su	1,075.23
Kriz-Davis Co	Su, Re	20,567.95
Last Mile Network Consult	Se	90.00
Latsch'S	Su	41.98
Leadership Resources	Se	590.80
Lincoln Journal-Star	Su	306.80
Lincoln Tree Service Inc	Se	5,925.00
Lincoln Winwater Works	Su	363.80
Matheson Tri-Gas Inc	Su	16.50
Memorial Health-Drug	Su	30.00
Merle'S Garden Center	Gu	258.50
Mid-American Benefits Inc	Ins	917.63
Midwest Laboratories Inc	Se	751.10
Midwest Turf & Irrigation	Re	243.62
Mother Earth News Magazine	Su	17.00
Mountain Plains Library	Dues	55.00
Nat'l On-Site Waste Water	Trng	100.00
Nebraska Library Assoc	Trng	570.00
Nebraska Life Magazine	Su	44.00
Net-Tech Distributing Inc	Re, Su	5,875.86
Nifco Mechanical Systems	Bu	100.00
Northern Safety Co Inc	Bu	502.76
O C L C Inc	Se	180.69
Odeys Inc	Su, Gu	758.98

Olsson Associates	Se		10,986.07
Omaha World Herald	Su		247.00
O'Reilly Auto Parts	Re		52.79
Orscheln Farm & Home	Su, Re, Eq		489.43
Overdrive	Su		800.00
Pac 'N' Save Discount Food	Su		7.57
Pankoke Henry W	Ma		220.00
Peavey Lynn Co	Su		160.50
Plains Equipment Group Inc	Re		150.26
Precision Tool & Machine	Re		170.00
Principal Financial Group	Ins		667.86
Quill Corp	Su		240.06
Resco Electric Utility	Eq		3,375.00
Roehr Ed Safety Products	Eq		780.00
Sam'S Club (Lib-Rec-Pool)	Su		1,202.09
Sam'S Club (Sen Center)	Su		250.71
Seward Woman'S Club	Awards		150.00
Smith Bruce	Ex, Meal		107.00
St John Lutheran Church	Ci		51,800.00
Stutzman Digging	Ci		6,990.00
Supplyworks	Su		101.94
Tools Plus Industries LLC	Eq		76.73
U S A Bluebook - Cust 812	Su		2,959.35
U S A Today	Su		300.00
U S Cellular	Ex		228.32
University Nebraska-Bio	Trng		120.00
Visa - Pinnacle Bank			378.62
Lighting Supply.com	Re	333.65	
Pac N Save	Su	34.97	
WalMart	Su	10.00	
Woods & Aitken LLP	Se		82.50
Wreckonciled Collision	Re		3,216.47
Claims Total			<u>\$1,194,484.88</u>

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G3**

**CONSIDERATION OF AN ORDINANCE AMENDING WATER  
UTILITY RATES- Andrew Ross, NMPP & Bruce Smith**

**Administrative Report:** Based on the current rate study conducted by NMPP, we are not proposing an electric or sewer rate increase. The only proposed increase is to the water utility.

**Following review and discussion, a motion to adopt the ordinance would be in order.**

**Staff Contact:**

Seward, NE -- 2015 Cost of Service Study Update							
Electric Department							
Financial Proforma and 5 Year Rate Track							
PRELIMINARY 10/1/15							
Item FYE September	2014	2015	2016	2017	2018	2019	2020
a Sales Growth Base Load	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
b Administration Inflation	3.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
c General Inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
d Interest Rate on Cash Balances	0.5%	0.7%	0.7%	0.7%	0.9%	1.1%	1.3%
e Purchase Power Adjustments	5.8%	-0.5%	3.5%	2.4%	2.0%	2.0%	2.7%
f Rate Adjustments	4.4%	4.7%	0.0%	0.0%	3.0%	3.0%	3.0%
effective date	May 2014	Oct, 2014	Oct, 2015	Oct, 2016	Oct, 2017	Oct, 2018	Oct, 2019
1 Revenues							
2 Retail Sales	8,907,261	9,373,256	9,513,855	9,656,563	10,095,453	10,554,292	11,033,984
3 Other Operating Rev	52,673	142,025	98,000	100,940	103,968	107,087	110,300
4 Total Revenues	8,959,934	9,515,281	9,611,855	9,757,503	10,199,422	10,661,379	11,144,284
5 Expenses							
6 Power Purchased	6,119,846	6,054,253	6,359,893	6,611,692	6,845,085	7,086,717	7,385,443
7 Distribution	1,005,922	954,652	1,117,877	1,151,413	1,185,956	1,221,534	1,258,180
8 Facilities and Operation	50,000	45,769	50,469	51,983	53,543	55,149	56,803
9 Administrative and General	457,818	419,688	563,574	580,481	597,896	615,833	634,308
10 Total O&M	7,633,586	7,474,362	8,091,813	8,395,570	8,682,479	8,979,232	9,334,734
11 Depreciation	570,077	614,450	686,204	771,779	887,447	968,487	1,018,940
12 Franchise Fee to General Fund \$/G UPIS	\$ 0.0045	447,148	476,523	485,000	441,596	448,220	454,943
13 Interest Income	(30,972)	(43,890)	(39,701)	(44,357)	(66,016)	(59,715)	(58,069)
14 Total Electric Expense	8,619,839	8,521,445	9,223,315	9,564,587	9,952,130	10,342,948	10,757,373
15 Net Operating Income	340,095	993,836	388,540	192,915	247,291	318,431	386,912
16 Net Income Target % of UPIS	4.0%	298,625	287,675	335,553	432,585	491,849	551,642
17 Net Income Actual % of UPIS		4.6%	13.8%	4.6%	1.8%	2.0%	2.3%
18 Debt Coverage Ratio		2.58	4.72	2.42	1.44	1.83	2.10
19 COS Revenue Requirement			9,460,868				
20 Other Revenues & (Expenses)							
21 Interest on existing LT Debt	(93,016)	(89,568)	(87,075)	(83,086)	(77,724)	(71,783)	(64,774)
22 Interest Proposed Series 2016			(65,516)	(63,901)	(62,253)	(60,573)	(58,859)
23 Interest Proposed Series 2017				(60,000)	(58,521)	(57,012)	(55,474)
24 Non Operating Income	10,000	16,572	13,000	13,195	13,393	13,594	13,798
25 Total Profit / Loss	257,079	920,841	248,949	(877)	62,186	142,657	221,602
26 Net Utility Plant in Service (NUPIS)	7,465,635	7,191,863	8,388,821	10,814,614	12,296,235	13,791,040	14,418,553
27 Gross Utility Plant in Service (G UPIS)	14,667,697	16,574,443	19,850,228	22,222,228	24,729,862	26,409,862	26,424,862
28 Net UPIS/ OCUP	51%	43%	42%	49%	50%	52%	55%
29 Cash Inflows		1	2	3	4	5	6
30 Net Income	257,079	920,841	248,949	(877)	62,186	142,657	221,602
31 New Borrowed Funds		-	3,275,785	3,000,000			
32 Depreciation	570,077	614,450	686,204	771,779	887,447	968,487	1,018,940
33 Cash Inflows	827,156	1,535,291	4,210,938	3,770,902	949,633	1,111,144	1,240,542
34 Cash Outflows							
35 Capital Improvements & CWIP	311,900	1,906,746	3,275,785	2,372,000	2,507,634	1,680,000	15,000
36 Principal on Existing Debt	240,000	245,000	250,000	340,000	260,000	265,000	275,000
37 Principal on Series 2016	-	-		80,748	82,363	84,010	85,690
38 Principal on Proposed Series 2017					73,950	75,429	76,937
39 Cash Outflows	\$ 551,900	\$ 2,151,746	\$ 3,525,785	\$ 2,792,748	\$ 2,923,947	\$ 2,104,439	\$ 452,628
40 Change in Cash	275,256	(616,455)	685,153	978,154	(1,974,314)	(993,295)	787,914
41 Cash Balance	6,459,103	5,842,648	6,527,800	7,505,954	5,531,641	4,538,346	5,326,260
42 Minimum Cash Balance Target	3,056,768	3,182,294	3,426,377	3,876,163	4,214,832	4,250,266	4,206,286

Cash Reserve Policy			2014	"Must Have" Cash
1	O&M Expenses	7,633,586	25%	1,908,397
2	Gross Utility Plant in Service (G UPIS)	14,667,697	1%	146,677
3	Deposits	90,850	100%	90,850
4	Debt Service	333,016	100%	333,016
5	Current Year Capital Improvements less Borrowin	311,900	10%	31,190
6	Five Year Capital Improvements less Borrowings	5,466,380	10%	546,638
Minimum Reserve Target			3,056,768	1,378,065

NMPP  
Engineering Services

Seward, NE  
2015 Cost of Service/  
Rate Design Study

			<b>Seward, NE</b> <b>Sewer Department</b> <b>2014 Cost of Service/Rate Design Study</b> For FYE <b>PRELIMINARY September 30, 20145</b>							
	<b>For FYE</b>		<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
a	Sales Growth Base Load		5.32%	0.5%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
b	Administration Inflation				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
c	General Inflation		20.7%	4.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
d	Interest Rate on Cash Balances		0.5%	0.5%	0.5%	1.0%	1.0%	1.0%	1.0%	1.0%
e	<b>Rate Adjustments</b>			<b>5.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.5%</b>
	<b>Effective</b>			<b>May. 1, 2014</b>	<b>Oct. 1, 2014</b>	<b>Oct. 1, 2015</b>	<b>Oct. 1, 2016</b>	<b>Oct. 1, 2017</b>	<b>Oct. 1, 2018</b>	<b>Oct. 1, 2019</b>
1	<b>Revenues</b>									
2	Retail Sales		1,249,715	1,284,223	1,330,405	1,337,057	1,404,210	1,474,737	1,548,805	1,626,594
4	Other Operating Rev		199,191	34,000	35,195	36,432	37,713	39,038	40,411	41,831
5	<b>Total Revenues</b>		<b>1,448,906</b>	<b>1,318,223</b>	<b>1,365,600</b>	<b>1,373,489</b>	<b>1,441,923</b>	<b>1,513,775</b>	<b>1,589,216</b>	<b>1,668,425</b>
6	<b>Expenses</b>									
7	PRODUCTION		387,743	365,945	376,923	388,231	399,878	411,874	424,231	436,957
8	PLANT - O & M		129,229	171,500	176,645	181,944	187,403	193,025	198,816	204,780
9	CUSTOMER SERVICE & BILLING		260,879	253,241	260,838	268,663	276,723	285,024	293,575	302,382
10	COLLECTION - O & M		32,540	65,500	67,465	69,489	71,574	73,721	75,932	78,210
11	FRANCHISE FEE		72,908	64,200	66,126	68,110	70,153	72,258	74,425	76,658
12	<b>Total O&amp;M</b>		<b>883,299</b>	<b>920,386</b>	<b>947,997</b>	<b>976,437</b>	<b>1,005,730</b>	<b>1,035,902</b>	<b>1,066,979</b>	<b>1,098,988</b>
13	Depreciation and Amortization		398,140	402,016	413,528	427,766	443,676	459,928	460,786	447,703
14	Interest Income		(6,364)	(7,249)	(7,358)	(11,254)	(8,118)	(7,715)	(7,124)	(7,647)
15	<b>Total Water Expense</b>		<b>1,275,075</b>	<b>1,315,153</b>	<b>1,354,167</b>	<b>1,392,949</b>	<b>1,441,289</b>	<b>1,488,115</b>	<b>1,520,641</b>	<b>1,539,045</b>
16	<b>Net Operating Income</b>		<b>173,831</b>	<b>3,070</b>	<b>11,433</b>	<b>(19,460)</b>	<b>634</b>	<b>25,660</b>	<b>68,575</b>	<b>129,380</b>
17	<b>Net Income Target % of UPIS</b>	<b>4.0%</b>	<b>321,539</b>	<b>337,607</b>	<b>327,020</b>	<b>327,591</b>	<b>325,593</b>	<b>313,883</b>	<b>304,404</b>	<b>292,898</b>
18	<b>Net Income Actual % of UPIS</b>		<b>2.2%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.9%</b>	<b>1.8%</b>
19	<b>COS Revenue Requirement</b>			<b>1,618,759</b>						
20	<b>Debt Coverage Ratio</b>		<b>1.76</b>	<b>1.253</b>	<b>1.30</b>	<b>1.27</b>	<b>1.37</b>	<b>1.50</b>	<b>1.64</b>	<b>1.78</b>
21	<b>Other Revenues &amp; (Expenses)</b>									
22	Interest on New LT Debt					-	-	-	-	-
23	Interest on Existing LT Debt		(134,419)	(133,243)	(130,755)	(127,460)	(123,640)	(119,025)	(113,678)	(108,578)
24	Sinking Fund		(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
25	<b>Total Profit / Loss</b>		<b>39,412</b>	<b>(130,172)</b>	<b>(119,322)</b>	<b>(146,920)</b>	<b>(123,006)</b>	<b>(93,365)</b>	<b>(45,102)</b>	<b>20,803</b>
26	Depreciated Utility Plant in Service (UPIS)		8,038,483	8,440,171	8,175,496	8,189,773	8,139,836	7,847,071	7,610,111	7,322,447
27	Gross Utility Plant in Service		10,123,491	10,278,546	10,739,008	11,153,470	11,329,432	11,565,038	11,733,500	11,895,500
28	Depreciated UPIS / Gross UPIS		79%	82%	76%	73%	72%	68%	65%	62%
29	<b>Cash Inflows</b>									
30	Net Income		39,412	(130,172)	(119,322)	(146,920)	(123,006)	(93,365)	(45,102)	20,803
31	Grants/Donation		-	80,000						
32	Depreciation Expense		398,140	402,016	413,528	427,766	443,676	459,928	460,786	447,703
33	<b>Cash Inflows</b>		<b>437,552</b>	<b>351,844</b>	<b>294,206</b>	<b>280,846</b>	<b>320,671</b>	<b>366,563</b>	<b>415,684</b>	<b>468,506</b>
34	<b>Cash Outflows</b>									
35	Capital Improvements & CWIP		837,192	155,055	460,462	414,462	175,962	235,606	168,462	162,000
36	Principal on Existing Debt		190,000	190,000	195,000	195,000	200,000	205,000	210,000	215,000
37	Principal on New Debt					-	-	-	-	-
38	<b>Cash Outflows</b>		<b>1,027,192</b>	<b>345,055</b>	<b>655,462</b>	<b>609,462</b>	<b>375,962</b>	<b>440,606</b>	<b>378,462</b>	<b>377,000</b>
39	<b>Change in Cash</b>		<b>(589,640)</b>	<b>6,790</b>	<b>(361,256)</b>	<b>(328,616)</b>	<b>(55,291)</b>	<b>(74,043)</b>	<b>37,222</b>	<b>91,506</b>
40	<b>Cash Balance Includes Sinking Fund</b>		<b>1,449,861</b>	<b>1,471,651</b>	<b>1,125,394</b>	<b>811,778</b>	<b>771,487</b>	<b>712,444</b>	<b>764,666</b>	<b>871,171</b>
41	<b>Cash Balance Target</b>		<b>1,102,227</b>	<b>1,059,061</b>	<b>1,092,061</b>	<b>1,059,419</b>	<b>1,039,824</b>	<b>948,824</b>	<b>895,966</b>	<b>854,206</b>

<b>Cash Reserve Policy</b>				<b>2014</b>
1	O&M Expenses	920,386	25%	230,096
2	Gross Utility Plant in Service	10,278,546	1%	102,785
3	Deposits	-	100%	-
4	Debt Service	323,243	100%	323,243
5	Current Year Capital Improvements less Bor	155,055	20%	31,011
6	Five Year Capital Improvements less Borrow	1,859,628	20%	371,926
<b>Minimum Reserve Target</b>				<b>1,059,061</b>



			Seward, NE Water Department 2014 Cost of Service/ For FYE September  PRELIMINARY - September 21, 2015						
	For FYE September		2015	2016	2017	2018	2019	2020	
a	Sales Growth Base Load		0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	
b	Administration Inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
c	General Inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
d	Interest Rate on Cash Balances		0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	
e	Rate Adjustments		0.0%	2.6%	2.6%	2.6%	2.6%	2.6%	
	For FYE September	Effective date	Nov. 1, 2015	Oct. 1, 2016	Oct. 1, 2017	Oct. 1, 2018	Oct. 1, 2019		
1	Revenues								
2	Retail Sales		1,774,891	1,830,822	1,896,516	1,960,420	2,026,476	2,094,758	
3	Other Operating Rev		39,238	39,532	39,828	39,828	39,828	39,828	
4	Total Revenues		1,814,129	1,870,354	1,936,345	2,000,248	2,066,304	2,134,586	
5	Expenses								
6	ADMINISTRATIVE		266,213	274,200	282,426	290,898	299,625	308,614	
7	DISTRIBUTION		23,228	23,924	24,642	25,381	26,143	26,927	
8	PRODUCTION		302,991	312,081	321,443	331,086	341,019	351,250	
9	WELLS & TOWER-O & M		37,853	38,988	40,158	41,362	42,603	43,881	
10	PLANT - O & M		210,429	216,742	223,244	229,941	236,840	243,945	
11	FRANCHISE TAX		98,288	101,236	104,273	107,402	110,624	113,942	
12	Total O&M		939,001	967,171	996,186	1,026,072	1,056,854	1,088,560	
13	Depreciation		322,051	376,313	408,911	454,021	443,844	480,477	
14	Interest Income		(6,156)	(10,726)	(9,202)	(7,374)	(6,935)	(7,000)	
16	Total Water Expense		1,254,896	1,332,758	1,395,895	1,472,719	1,493,764	1,562,037	
17	Net Operating Income		559,233	537,596	540,450	527,529	572,541	572,550	
18	Net Income Target % of UPIS	5.0%	463,979	496,685	534,890	547,881	554,132	573,983	
19	Net Income Actual % of UPIS		6.0%	5.4%	5.1%	4.8%	5.2%	5.0%	
20	Debt Service		407,943	402,090	400,480	402,828	404,286	404,821	
21	Debt Coverage Ratio		2.16	2.27	2.37	2.44	2.51	2.60	
22	COS Revenue Requirement								
23	Other Revenues & (Expenses)								
25	Interest on Existing LT Debt		(147,943)	(142,090)	(135,480)	(127,828)	(119,286)	(109,821)	
27	Sinking Fund		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	
28	Total Profit / Loss		391,290	375,506	384,970	379,702	433,256	442,731	
31	Sales increase		0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	
32	Sales CF		32,549,679	32,793,802	33,039,755	33,287,553	33,537,210	33,788,739	
34	Rate Yield	\$	0.05	\$	0.06	\$	0.06	\$	0.06
37	Net Utility Plant in Service (N-UPIS)		9,279,584	9,933,702	10,697,804	10,957,629	11,082,632	11,479,661	
38	Gross Utility Plant in Service (G-UPIS)		18,503,460	19,569,422	20,782,884	21,521,346	22,109,808	23,017,573	
39	Net UPIS/ OCUP		50%	51%	51%	51%	50%	50%	
40	Cash Inflows								
41	Net Income		391,290	375,506	384,970	379,702	433,256	442,731	
42	New Borrowed Funds (intra-department)		-						
44	Grants/Donation								
45	Depreciation Expense		322,051	376,313	408,911	454,021	443,844	480,477	
46	Cash Inflows		713,341	751,819	793,880	833,724	877,101	923,208	
47	Cash Outflows								
48	Capital Improvements & CWIP		90,462	1,065,962	1,213,462	738,462	588,462	907,765	
49	Principal on Existing Debt		260,000	260,000	265,000	275,000	285,000	295,000	
52	Cash Outflows		350,462	1,325,962	1,478,462	1,013,462	873,462	1,202,765	
53	Change in Cash		362,879	(574,143)	(684,582)	(179,738)	3,639	(279,557)	
54	Cash Balance Includes Sinking Fund		3,899,814	3,345,671	2,681,089	2,521,351	2,544,989	2,285,433	
55	Cash Balance Target		1,752,882	1,909,372	1,881,572	1,828,726	1,873,894	1,956,897	

Cash Reserve Policy				2014
1	O&M Expenses	899,473	25%	224,868
2	Gross Utility Plant in Service (G-UPIS)	17,308,498	1.00%	173,085
3	Deposits	4,240	100%	4,240
4	Debt Service	386,277	100%	386,277
5	Current Year Capital Improvements less Borrowings	1,940,323	20%	388,065
6	Five Year Capital Improvements less Borrowings	5,414,709	20%	1,082,942
7	<b>Minimum Reserve Target</b>			<b>2,259,476</b>

**Table C**  
**Comparison of Revenue from Existing Rates**  
**to Revenue from Proposed Rates October 2015**

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Residential and Commercial Inside City Limit	\$ 1,672,930	\$ 1,716,653	\$ 43,723	2.6%
2	Residential and Commercial Outside City Limit	30,664	30,664	-	0.0%
4	<b>Total</b>	<b>\$ 1,703,594</b>	<b>\$ 1,747,317</b>	<b>\$ 43,723</b>	<b>2.6%</b>

**Appendix Table B - 1**  
**2014 Cost of Service/**  
**Typical Bill Comparison**  
**Existing vs. Proposed Rates**  
**Residential and Commercial Inside City Limit**

Line	Inside City Limits						area of meter
	Existing			Proposed			
1	Meter Charge By Size	1" or Less	\$ 10.55	Meter Charge By Size	1" or Less	\$ 11.65	0.79
2		1.5"	\$ 23.74		1.5"	\$ 26.21	1.25
3		2"	\$ 42.20		2"	\$ 46.60	3.14
4		3"	\$ 94.95		3"	\$ 104.85	7.07
5		4"	\$ 168.80		4"	\$ 186.40	12.56
6		6"	\$ 379.80		6"	\$ 419.40	28.26
7		8"	\$ 675.20		8"	\$ 745.60	50.24
8	Commodity		\$/CF	Commodity		\$/CF	Cust. cos
9	First 1,200 CF	1" or Less	\$ 0.0356	First 1,200 CF	1" or Less	\$ 0.0356	proposed
10	Excess 1,200 CF	1" or Less	\$ 0.0424	Excess 1,200 CF	1" or Less	\$ 0.0424	\$ 14.89
11	First 1,800 CF	1.5"	\$ 0.0356	First 1,800 CF	1.5"	\$ 0.0356	\$ 14.75
12	Excess 1,800 CF	1.5"	\$ 0.0424	Excess 1,800 CF	1.5"	\$ 0.0424	
13	First 2,400 CF	2"	\$ 0.0356	First 2,400 CF	2"	\$ 0.0356	
14	Excess 2,400 CF	2"	\$ 0.0424	Excess 2,400 CF	2"	\$ 0.0424	
15	First 3,600 CF	3"	\$ 0.0356	First 3,600 CF	3"	\$ 0.0356	
16	Excess 3,600 CF	3"	\$ 0.0408	Excess 3,600 CF	3"	\$ 0.0408	
17	First 4,800 CF	4"	\$ 0.0356	First 4,800 CF	4"	\$ 0.0356	
18	Excess 4,800 CF	4"	\$ 0.0408	Excess 4,800 CF	4"	\$ 0.0408	
19	First 7,200 CF	6"	\$ 0.0356	First 7,200 CF	6"	\$ 0.0356	
20	Excess 7,200 CF	6"	\$ 0.0408	Excess 7,200 CF	6"	\$ 0.0408	
21	First 9,600 CF	8"	\$ 0.0356	First 9,600 CF	8"	\$ 0.0356	
22	Excess 9,600 CF	8"	\$ 0.0408	Excess 9,600 CF	8"	\$ 0.0408	
Existing Rate Revenue			\$ 1,672,930	Proposed Rate Revenue			
Proposed Rate Revenue			\$ 1,716,653	Proposed Rate Increase			2.6%

1" or Less					
Line #	Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed	(Dec.)	(Dec.)
1	100	\$ 14.11	\$ 15.21	7.8%	\$ 1.10
2	200	\$ 17.67	\$ 18.77	6.2%	\$ 1.10
3	300	\$ 21.23	\$ 22.33	5.2%	\$ 1.10
4	400	\$ 24.79	\$ 25.89	4.4%	\$ 1.10
5	500	\$ 28.35	\$ 29.45	3.9%	\$ 1.10
6	600	\$ 31.91	\$ 33.01	3.4%	\$ 1.10
7	700	\$ 35.47	\$ 36.57	3.1%	\$ 1.10
8	800	\$ 39.03	\$ 40.13	2.8%	\$ 1.10
9	900	\$ 42.59	\$ 43.69	2.6%	\$ 1.10
10	1,000	\$ 46.15	\$ 47.25	2.4%	\$ 1.10
11	1,500	\$ 67.35	\$ 68.45	1.6%	\$ 1.10
12	2,000	\$ 88.55	\$ 89.65	1.2%	\$ 1.10
13	2,500	\$ 109.75	\$ 110.85	1.0%	\$ 1.10
14	3,000	\$ 130.95	\$ 132.05	0.8%	\$ 1.10
15	3,500	\$ 152.15	\$ 153.25	0.7%	\$ 1.10
16	4,000	\$ 173.35	\$ 174.45	0.6%	\$ 1.10
17	4,500	\$ 194.55	\$ 195.65	0.6%	\$ 1.10
18	5,000	\$ 215.75	\$ 216.85	0.5%	\$ 1.10
19	10,000	\$ 427.75	\$ 428.85	0.3%	\$ 1.10
20	15,000	\$ 639.75	\$ 640.85	0.2%	\$ 1.10
21	25,000	\$ 1,063.75	\$ 1,064.85	0.1%	\$ 1.10
22	35,000	\$ 1,487.75	\$ 1,488.85	0.1%	\$ 1.10
23	45,000	\$ 1,911.75	\$ 1,912.85	0.1%	\$ 1.10
24	55,000	\$ 2,335.75	\$ 2,336.85	0.0%	\$ 1.10
25	65,000	\$ 2,759.75	\$ 2,760.85	0.0%	\$ 1.10

1.5"					
Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)	
	Existing	Proposed	(Dec.)	(Dec.)	(Dec.)
100	\$ 27.30	\$ 29.77	9.0%	\$ 2.47	
200	\$ 30.86	\$ 33.33	8.0%	\$ 2.47	
300	\$ 34.42	\$ 36.89	7.2%	\$ 2.47	
400	\$ 37.98	\$ 40.45	6.5%	\$ 2.47	
500	\$ 41.54	\$ 44.01	5.9%	\$ 2.47	
600	\$ 45.10	\$ 47.57	5.5%	\$ 2.47	
700	\$ 48.66	\$ 51.13	5.1%	\$ 2.47	
800	\$ 52.22	\$ 54.69	4.7%	\$ 2.47	
900	\$ 55.78	\$ 58.25	4.4%	\$ 2.47	
1,000	\$ 59.34	\$ 61.81	4.2%	\$ 2.47	
1,500	\$ 77.14	\$ 79.61	3.2%	\$ 2.47	
2,000	\$ 98.34	\$ 100.81	2.5%	\$ 2.47	
2,500	\$ 119.54	\$ 122.01	2.1%	\$ 2.47	
3,000	\$ 140.74	\$ 143.21	1.8%	\$ 2.47	
3,500	\$ 161.94	\$ 164.41	1.5%	\$ 2.47	
4,000	\$ 183.14	\$ 185.61	1.3%	\$ 2.47	
4,500	\$ 204.34	\$ 206.81	1.2%	\$ 2.47	
5,000	\$ 225.54	\$ 228.01	1.1%	\$ 2.47	
6,000	\$ 267.94	\$ 270.41	0.9%	\$ 2.47	
7,000	\$ 310.34	\$ 312.81	0.8%	\$ 2.47	
8,000	\$ 352.74	\$ 355.21	0.7%	\$ 2.47	
9,000	\$ 395.14	\$ 397.61	0.6%	\$ 2.47	
10,000	\$ 437.54	\$ 440.01	0.6%	\$ 2.47	
15,000	\$ 649.54	\$ 652.01	0.4%	\$ 2.47	
20,000	\$ 861.54	\$ 864.01	0.3%	\$ 2.47	

2"					
Line #	Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed	(Dec.)	(Dec.)
5	100	\$ 45.76	\$ 50.16	9.6%	\$ 4.40
6	200	\$ 49.32	\$ 53.72	8.9%	\$ 4.40
7	300	\$ 52.88	\$ 57.28	8.3%	\$ 4.40
8	400	\$ 56.44	\$ 60.84	7.8%	\$ 4.40
9	500	\$ 60.00	\$ 64.40	7.3%	\$ 4.40
10	600	\$ 63.56	\$ 67.96	6.9%	\$ 4.40
11	700	\$ 67.12	\$ 71.52	6.6%	\$ 4.40
12	800	\$ 70.68	\$ 75.08	6.2%	\$ 4.40
13	900	\$ 74.24	\$ 78.64	5.9%	\$ 4.40
14	1,000	\$ 77.80	\$ 82.20	5.7%	\$ 4.40
15	1,500	\$ 95.60	\$ 100.00	4.6%	\$ 4.40
16	2,000	\$ 113.40	\$ 117.80	3.9%	\$ 4.40
17	2,500	\$ 131.20	\$ 135.60	3.3%	\$ 4.40
18	3,000	\$ 155.80	\$ 160.20	2.8%	\$ 4.40
19	3,500	\$ 177.00	\$ 181.40	2.5%	\$ 4.40
20	4,000	\$ 198.20	\$ 202.60	2.2%	\$ 4.40
21	4,500	\$ 219.40	\$ 223.80	2.0%	\$ 4.40
22	5,000	\$ 240.60	\$ 245.00	1.8%	\$ 4.40
23	10,000	\$ 452.60	\$ 457.00	1.0%	\$ 4.40
24	15,000	\$ 664.60	\$ 669.00	0.7%	\$ 4.40
25	20,000	\$ 876.60	\$ 881.00	0.5%	\$ 4.40
26	25,000	\$ 1,088.60	\$ 1,093.00	0.4%	\$ 4.40
27	30,000	\$ 1,300.60	\$ 1,305.00	0.3%	\$ 4.40
28	35,000	\$ 1,512.60	\$ 1,517.00	0.3%	\$ 4.40
29	40,000	\$ 1,724.60	\$ 1,729.00	0.3%	\$ 4.40

3"					
Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)	
	Existing	Proposed	(Dec.)	(Dec.)	(Dec.)
100	\$ 98.51	\$ 108.41	10.0%	\$ 9.90	
200	\$ 102.07	\$ 111.97	9.7%	\$ 9.90	
300	\$ 105.63	\$ 115.53	9.4%	\$ 9.90	
400	\$ 109.19	\$ 119.09	9.1%	\$ 9.90	
500	\$ 112.75	\$ 122.65	8.8%	\$ 9.90	
600	\$ 116.31	\$ 126.21	8.5%	\$ 9.90	
700	\$ 119.87	\$ 129.77	8.3%	\$ 9.90	
800	\$ 123.43	\$ 133.33	8.0%	\$ 9.90	
900	\$ 126.99	\$ 136.89	7.8%	\$ 9.90	
1,000	\$ 130.55	\$ 140.45	7.6%	\$ 9.90	
1,500	\$ 148.35	\$ 158.25	6.7%	\$ 9.90	
2,000	\$ 166.15	\$ 176.05	6.0%	\$ 9.90	
2,500	\$ 183.95	\$ 193.85	5.4%	\$ 9.90	
3,000	\$ 201.75	\$ 211.65	4.9%	\$ 9.90	
3,500	\$ 219.55	\$ 229.45	4.5%	\$ 9.90	
4,000	\$ 239.95	\$ 249.85	4.1%	\$ 9.90	
4,500	\$ 260.35	\$ 270.25	3.8%	\$ 9.90	
5,000	\$ 280.75	\$ 290.65	3.5%	\$ 9.90	
10,000	\$ 494.75	\$ 494.65	2.0%	\$ 9.90	
15,000	\$ 698.75	\$ 698.65	1.4%	\$ 9.90	
25,000	\$ 1,096.75	\$ 1,106.65	0.9%	\$ 9.90	
35,000	\$ 1,504.75	\$ 1,514.65	0.7%	\$ 9.90	
45,000	\$ 1,912.75	\$ 1,922.65	0.5%	\$ 9.90	
55,000	\$ 2,320.75	\$ 2,330.65	0.4%	\$ 9.90	
60,000	\$ 2,524.75	\$ 2,534.65	0.4%	\$ 9.90	

4"					
Line #	Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed	(Dec.)	(Dec.)
9	500	\$ 186.60	\$ 204.20	9.4%	\$ 17.60
10	600	\$ 193.72	\$ 211.32	9.3%	\$ 17.60
11	700	\$ 197.28	\$ 214.88	9.1%	\$ 17.60
12	800	\$ 200.84	\$ 218.44	8.8%	\$ 17.60
13	900	\$ 204.40	\$ 222.00	8.6%	\$ 17.60
14	1,000	\$ 207.96	\$ 225.56	8.4%	\$ 17.60
15	1,500	\$ 240.00	\$ 257.60	7.3%	\$ 17.60
16	2,000	\$ 275.60	\$ 293.20	6.4%	\$ 17.60
17	3,000	\$ 311.20	\$ 328.80	5.7%	\$ 17.60
18	4,000	\$ 352.00	\$ 369.60	5.0%	\$ 17.60
19	5,000	\$ 393.60	\$ 411.20	4.1%	\$ 17.60
20	6,000	\$ 435.20	\$ 452.80	3.2%	\$ 17.60
24	30,000	\$ 1,372.00	\$ 1,389.60	1.3%	\$ 17.60
25	35,000	\$ 1,576.00	\$ 1,593.60	1.1%	\$ 17.60
26	40,000	\$ 1,780.00	\$ 1,797.60	1.0%	\$ 17.60
27	45,000	\$ 1,984.00	\$ 2,001.60	0.9%	\$ 17.60
28	50,000	\$ 2,188.00	\$ 2,205.60	0.8%	\$ 17.60
29	55,000	\$ 2,392.00	\$ 2,409.60	0.7%	\$ 17.60

**Appendix Table B - 3**  
**2014 Cost of Service/**  
**Typical Bill Comparison**  
**Existing vs. Proposed Rates**  
**Residential and Commercial Outside City Limit**

Line	Outside City Limits					
	Existing			Proposed		
1	Customer Charge	1" or Less	\$ 15.15	Meter Charge By Size	1" or Less	\$ 15.15
2		1.5"	\$ 34.08		1.5"	\$ 34.08
3		2"	\$ 60.58		2"	\$ 60.58
4		3"	\$ 136.32		3"	\$ 136.32
5		4"	\$ 242.34		4"	\$ 242.34
6		6"	\$ 545.26		6"	\$ 545.26
7		8"	\$ 969.36		8"	\$ 969.36
		Commodity				Commodity
		\$ /CF				\$ /CF
8	First 1,200 CF	1" or Less	\$ 0.05376	First 1,200 CF	1" or Less	\$ 0.0538
9	Excess 1,200 CF	1" or Less	\$ 0.06402	Excess 1,200 CF	1" or Less	\$ 0.0640
10	First 1,800 CF	1.5"	\$ 0.05376	First 1,800 CF	1.5"	\$ 0.0538
11	Excess 1,800 CF	1.5"	\$ 0.06402	Excess 1,800 CF	1.5"	\$ 0.0640
12	First 2,400 CF	2"	\$ 0.05376	First 2,400 CF	2"	\$ 0.0538
13	Excess 2,400 CF	2"	\$ 0.06402	Excess 2,400 CF	2"	\$ 0.0640
14	First 3,600 CF	3"	\$ 0.05376	First 3,600 CF	3"	\$ 0.0538
15	Excess 3,600 CF	3"	\$ 0.06161	Excess 3,600 CF	3"	\$ 0.0616
16	First 4,800 CF	4"	\$ 0.05376	First 4,800 CF	4"	\$ 0.0538
17	Excess 4,800 CF	4"	\$ 0.06161	Excess 4,800 CF	4"	\$ 0.0616
18	First 7,200 CF	6"	\$ 0.05376	First 7,200 CF	6"	\$ 0.0538
19	Excess 7,200 CF	6"	\$ 0.06161	Excess 7,200 CF	6"	\$ 0.0616
20	First 9,600 CF	8"	\$ 0.05376	First 9,600 CF	8"	\$ 0.0538
21	Excess 9,600 CF	8"	\$ 0.06161	Excess 9,600 CF	8"	\$ 0.0616

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0.00%

Existing Rate Revenue	\$ 30,664
Proposed Rate Revenue	\$ 30,664
Proposed Rate Increase	0.0%

1" or Less					
Line #	Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed		
1	5	\$ 15.42	\$ 15.42	0.0%	\$ -
2	10	\$ 15.69	\$ 15.69	0.0%	\$ -
3	25	\$ 16.49	\$ 16.49	0.0%	\$ -
4	50	\$ 17.84	\$ 17.84	0.0%	\$ -
5	100	\$ 20.53	\$ 20.53	0.0%	\$ -
6	150	\$ 23.21	\$ 23.21	0.0%	\$ -
7	200	\$ 25.90	\$ 25.90	0.0%	\$ -
8	300	\$ 31.28	\$ 31.28	0.0%	\$ -
9	400	\$ 36.65	\$ 36.65	0.0%	\$ -
10	500	\$ 42.03	\$ 42.03	0.0%	\$ -
11	600	\$ 47.40	\$ 47.40	0.0%	\$ -
12	700	\$ 52.78	\$ 52.78	0.0%	\$ -
13	800	\$ 58.15	\$ 58.15	0.0%	\$ -
14	900	\$ 63.53	\$ 63.53	0.0%	\$ -
15	1,000	\$ 68.91	\$ 68.91	0.0%	\$ -
16	1,100	\$ 74.28	\$ 74.28	0.0%	\$ -
17	1,200	\$ 79.66	\$ 79.66	0.0%	\$ -
18	1,500	\$ 98.86	\$ 98.86	0.0%	\$ -
19	1,800	\$ 118.07	\$ 118.07	0.0%	\$ -
20	2,100	\$ 137.28	\$ 137.28	0.0%	\$ -
21	2,400	\$ 156.49	\$ 156.49	0.0%	\$ -
22	2,700	\$ 175.69	\$ 175.69	0.0%	\$ -
23	3,000	\$ 194.90	\$ 194.90	0.0%	\$ -

1.5"					
Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)	
	Existing	Proposed			
500	\$ 60.96	\$ 60.96	0.0%	\$ -	
1000	\$ 87.84	\$ 87.84	0.0%	\$ -	
2000	\$ 151.86	\$ 151.86	0.0%	\$ -	
3000	\$ 215.88	\$ 215.88	0.0%	\$ -	
4000	\$ 279.91	\$ 279.91	0.0%	\$ -	
5000	\$ 343.93	\$ 343.93	0.0%	\$ -	
6000	\$ 407.96	\$ 407.96	0.0%	\$ -	
7000	\$ 471.98	\$ 471.98	0.0%	\$ -	
8000	\$ 536.00	\$ 536.00	0.0%	\$ -	
9000	\$ 600.03	\$ 600.03	0.0%	\$ -	
10000	\$ 664.05	\$ 664.05	0.0%	\$ -	
11000	\$ 728.08	\$ 728.08	0.0%	\$ -	
12000	\$ 792.10	\$ 792.10	0.0%	\$ -	
13000	\$ 856.12	\$ 856.12	0.0%	\$ -	
14000	\$ 920.15	\$ 920.15	0.0%	\$ -	
15000	\$ 984.17	\$ 984.17	0.0%	\$ -	
16000	\$ 1,048.20	\$ 1,048.20	0.0%	\$ -	
17000	\$ 1,112.22	\$ 1,112.22	0.0%	\$ -	
18000	\$ 1,176.24	\$ 1,176.24	0.0%	\$ -	
19000	\$ 1,240.27	\$ 1,240.27	0.0%	\$ -	
20000	\$ 1,304.29	\$ 1,304.29	0.0%	\$ -	
22000	\$ 1,432.34	\$ 1,432.34	0.0%	\$ -	
25000	\$ 1,624.41	\$ 1,624.41	0.0%	\$ -	

2"					
Line #	Monthly Usage CF	Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed		
1	500	\$ 87.46	\$ 87.46	0.0%	\$ -
2	700	\$ 98.21	\$ 98.21	0.0%	\$ -
3	900	\$ 108.96	\$ 108.96	0.0%	\$ -
4	1,100	\$ 119.71	\$ 119.71	0.0%	\$ -
5	1,300	\$ 130.46	\$ 130.46	0.0%	\$ -
6	1,500	\$ 141.21	\$ 141.21	0.0%	\$ -
7	1,700	\$ 151.97	\$ 151.97	0.0%	\$ -
8	1,900	\$ 162.72	\$ 162.72	0.0%	\$ -
9	2,000	\$ 168.09	\$ 168.09	0.0%	\$ -
10	2,200	\$ 178.84	\$ 178.84	0.0%	\$ -
11	2,400	\$ 191.65	\$ 191.65	0.0%	\$ -
12	3,000	\$ 230.06	\$ 230.06	0.0%	\$ -
13	3,500	\$ 262.07	\$ 262.07	0.0%	\$ -
14	4,000	\$ 294.09	\$ 294.09	0.0%	\$ -
15	5,000	\$ 358.11	\$ 358.11	0.0%	\$ -
16	6,000	\$ 422.13	\$ 422.13	0.0%	\$ -
17	7,000	\$ 486.16	\$ 486.16	0.0%	\$ -
18	8,000	\$ 550.18	\$ 550.18	0.0%	\$ -
19	9,000	\$ 614.21	\$ 614.21	0.0%	\$ -

ORDINANCE NO. 2015-

AN ORDINANCE TO AMEND SECTION 3-127 OF THE CITY CODE; TO INITIATE A 2.6% INCREASE IN REVENUES CHARGED TO CUSTOMERS FOR SERVICE FROM THE WATER SYSTEM OF THE CITY EFFECTIVE WITH THE OCTOBER 2015 BILLING; TO PROVIDE FOR BILLING THEREOF; TO REPEAL SECTION 3-127; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

Section 1. Amendment. Section 3-127 of the Municipal Code of Seward, Nebraska, is amended to read as follows:

MUNICIPAL WATER DEPARTMENT; WATER RATES. A tariff of monthly water rates will be charged for each meter installed in the Water System of the City. The W/WWTW Superintendent or his duly authorized agent may make a determination to forego the meter charge on irrigation systems when the meter is winterized and shut-off, if it is in the best interest of the City to do so. The following rates are hereby established:

URBAN GENERAL SERVICE RATES

**Rates effective October 2015 billing:**

Meter Size	Customer Chg.	Rate per Cubic Feet
1" or less	\$ 11.76	First 1,200 CF, \$.0368 per CF Over 1,200 CF, \$.0438 per CF
1.5"	\$ 26.46	First 1,800 CF, \$.0368 per CF Over 1,800 CF, \$.0438 per CF
2"	\$ 47.04	First 2,400 CF, \$.0368 per CF Over 2,400 CF, \$.0438 per CF
3"	\$105.84	First 3,600 CF, \$.0368 per CF Over 3,600 CF, \$.0422 per CF
4"	\$188.16	First 4,800 CF, \$.0368 per CF Over 4,800 CF, \$.0422 per CF
6"	\$423.36	First 7,200 CF, \$.0368 per CF Over 7,200 CF, \$.0422 per CF
8"	\$752.64	First 9,600 CF, \$.0368 per CF Over 9,600 CF, \$.0422 per CF

RURAL GENERAL SERVICE RATES

**Rates effective October 2015 billing:**

Meter Size	Customer Chg.	Rate per Cubic Feet
1" or less	\$ 15.22	First 1,200 CF, \$.0523 per CF Over 1,200 CF, \$.0623 per CF
1.5"	\$ 34.24	First 1,800 CF, \$.0523 per CF Over 1,800 CF, \$.0623 per CF
2"	\$ 60.87	First 2,400 CF, \$.0523 per CF Over 2,400 CF, \$.0623 per CF
3"	\$136.96	First 3,600 CF, \$.0523 per CF Over 3,600 CF, \$.0600 per CF
4"	\$243.49	First 4,800 CF, \$.0523 per CF Over 4,800 CF, \$.0600 per CF
6"	\$547.85	First 7,200 CF, \$.0523 per CF Over 7,200 CF, \$.0600 per CF
8"	\$973.95	First 9,600 CF, \$.0523 per CF Over 9,600 CF, \$.0600 per CF

Section 2. REPEAL. All ordinances or provision or portions of ordinances in conflict here with are hereby repealed.

Section 3. WHEN OPERATIVE. This ordinance shall take effect and be in full force from and after its passage, approval and publication in pamphlet form as required by law.

Passed and approved this 6th day of October, 2015.

CITY OF SEWARD, NEBRASKA

ATTEST:

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Administrator Assistant/  
City Clerk-Treasurer/  
Budget & Human Resource Director

(SEAL)

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G4**

### **AUTHORIZE PLACEMENT OF "WELCOME TO SEWARD" SIGN ON CITY PROPERTY ON EAST HWY 34 - Clarence Wattier**

**Administrative Report:** The Seward Area Chamber of Commerce First Impressions Committee has submitted a request to erect a sign on City-owned property on the East side of Hwy 34, north of the old John Deere building. The Chamber of Commerce will be responsible for obtaining the funding through private donations, grants, and other sources.

**Following review and discussion, a motion for approval, denial, or other direction to staff would be in order.**

**Staff Contact:**

Tentative  
Oct 6  
Council Mtg



City of  
**SEWARD**

P.O. Box 38 • 537 Main Street  
Seward, Nebraska 68434  
Phone 402-643-2928  
Fax 402-643-2087

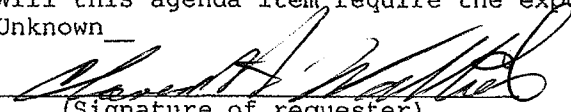
PUBLIC REQUEST FOR COUNCIL AGENDA ITEM OR ADMINISTRATIVE ACTION

DATE: 8/24/15  
NAME: Clarence Wattier for Seward Area Chamber of Commerce  
ADDRESS: 616 Bradford St., Seward, NE 68434  
EMAIL ADDRESS: pw24325@windstream.net TELEPHONE NO. 402 643 3117

EXPLANATION OF REQUEST: Seek approval of city council to utilize city property to erect a Welcome to Seward sign on east Highway 34 north of old John Deere building. The sign will enhance and complement Seward's Fourth of July City designation; the Parade of Flags; and the National Guard museum while welcoming visitors. Documents showing the design, the sign location, quotes and a budget are attached to this request.

ACTION REQUESTED: City council approve utilizing property to erect the Welcome to Seward sign.

Will this agenda item require the expenditure of funds? Yes \_\_\_ No x  
Unknown \_\_\_

 Clarence Wattier  
(Signature of requester) (Print Name)

Council meetings are held on the 1<sup>st</sup> & 3<sup>rd</sup> Tuesdays of every month. All requests for the Agenda must be submitted by noon on the Wednesday preceding the Council meeting, any item received after this time would have to be of an emergency nature. Once a request is received, Administration will review it and determine whether or not it requires Mayor/Council action, or whether it is an item that needs to be handled by staff.

Received by: Bonnettto Date: 10/1/15  
(City employee)

(Delivered by John Hughes)



August 20, 2015

Welcome to Seward Sign

Seward Area Chamber of Commerce First Impressions Committee

Project chair: Clarence Wattier

**Purpose:** Enhance and complement Seward's Fourth of July City designation, the Parade of Flags and the National Guard Museum while welcoming visitors.

**Location:** East side of U.S. Highway 34, north of old John Deere building and east of old railroad berm.

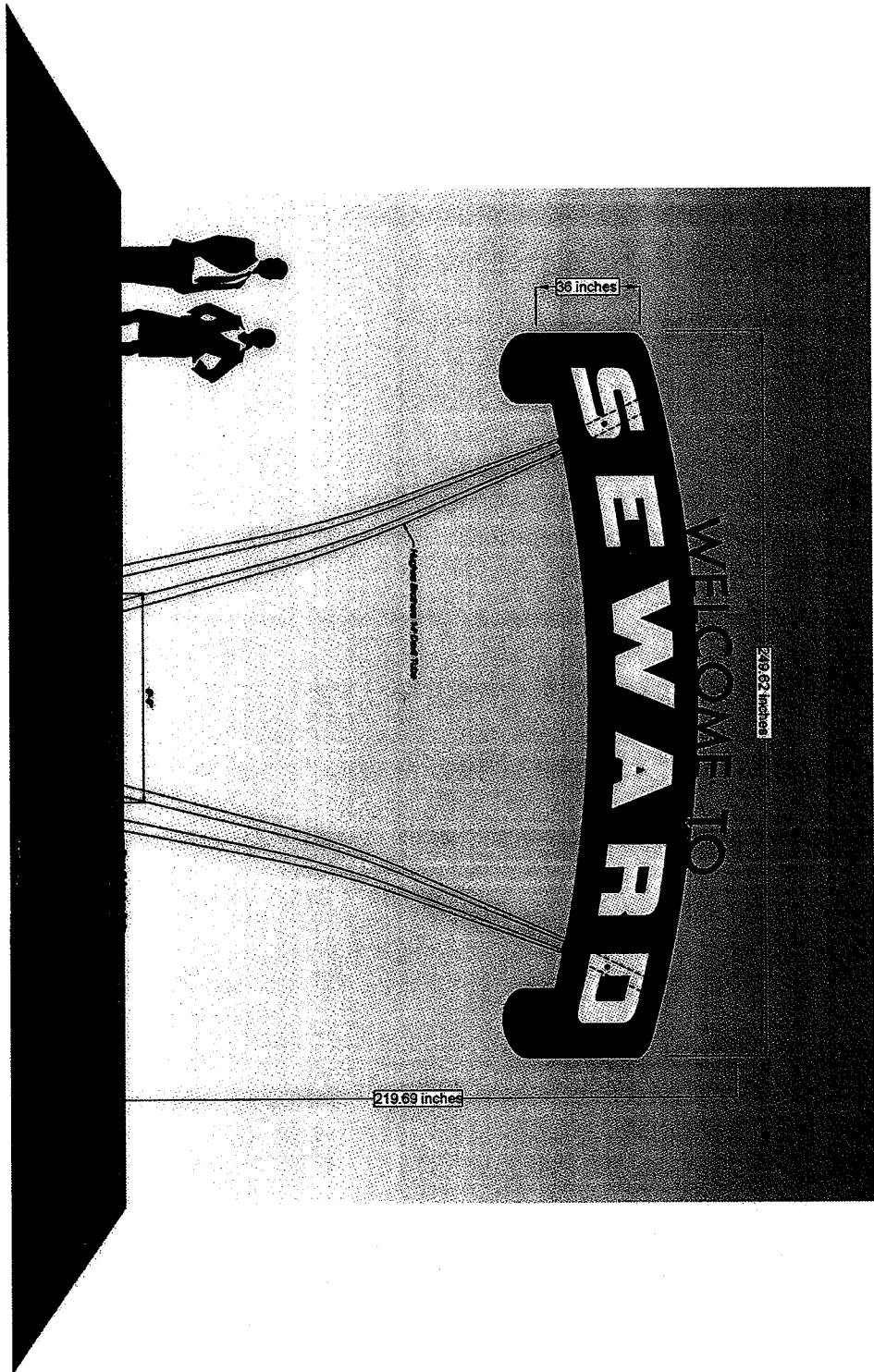
**Estimated cost:** Sign, \$7,655.86 (Love Signs); poles (Hughes Brothers), \$2,100.00; contingency including concrete, \$2,100, Total \$11,755.86.

**Description:** Two galvanized steel sign posts; one approximately 4' by 21' single face no-illuminated sign. Sign face of aluminium tube construction, Sign face to be #MM dibond material decorated with 3M high performance vinyl. "Welcome To" letters to be ¼" aluminium. SEWARD letters to be internally illuminated with LEDs. Letter faces to be 3/16" acrylic.

**Potential funding sources:** Private donations, Seward County Visitors' Committee, Seward Foundation, LB840 grant, WalMart. (If approved, the committee will use the chamber as grant applicant on grant applications.)

**Maintenance:** City of Seward, Seward Area Chamber of Commerce.

NOTICE: ALL RIGHTS RESERVED, NO PART OF THIS DRAWING MAY BE DISTRIBUTED TO OTHERS OR REPRODUCED IN ANY FORM WITHOUT WRITTEN PERMISSION FROM LOVE SIGNS OF NORFOLK.





MANUFACTURERS OF IDEAS

Illuminated Awnings • Vehicle Identification  
Plastic Neon Signs • Commercial Signs • Outdoor Advertising  
[www.lovesignco.com](http://www.lovesignco.com)

MANUFACTURING AGREEMENT

<i>In Agreement with</i>			<i>Phone</i>	<i>Estimate Date</i>
City of Seward				7/21/2015
<i>Street</i>			<i>Location</i>	
<i>City</i>	<i>Customer State</i>	<i>Zip Code</i>	<i>City / State</i>	
Seward	Nebraska	68434-		

Love Signs, Inc by its acceptance, hereof agrees to furnish the following work hereafter and on page two referred to as the Display System and according to the print attached hereto and made a part of this agreement.

Furnish Only:

One approximately 4' by 21' single face no-illuminated sign. Sign to be of aluminum tube construction. Sign face to be 3MM dibond material, decorated with 3M high performance vinyl. "Welcome to" letters to be 1/4" aluminum. "SEWARD" letters to be internally illuminated with LED's. Letter faces to be 3/16" acrylic.

Plus applicable sales tax if required.

Total material and labor... \$7,655.86

All signs are custom built products and, at the option of the seller, require payment in advance with order. Installation price is due upon installation. Fifty percent is due upon acceptance and the balance due upon installation. 2% discount if paid in full upon acceptance. Contract prices are guaranteed for 60 days and may be subject to change after that time.

This contract, with all conditions as noted, is herewith accepted by both parties.

Jill Sock

Sales Representative

Love Signs, Inc.

By \_\_\_\_\_

Title \_\_\_\_\_

City of Seward

Purchaser

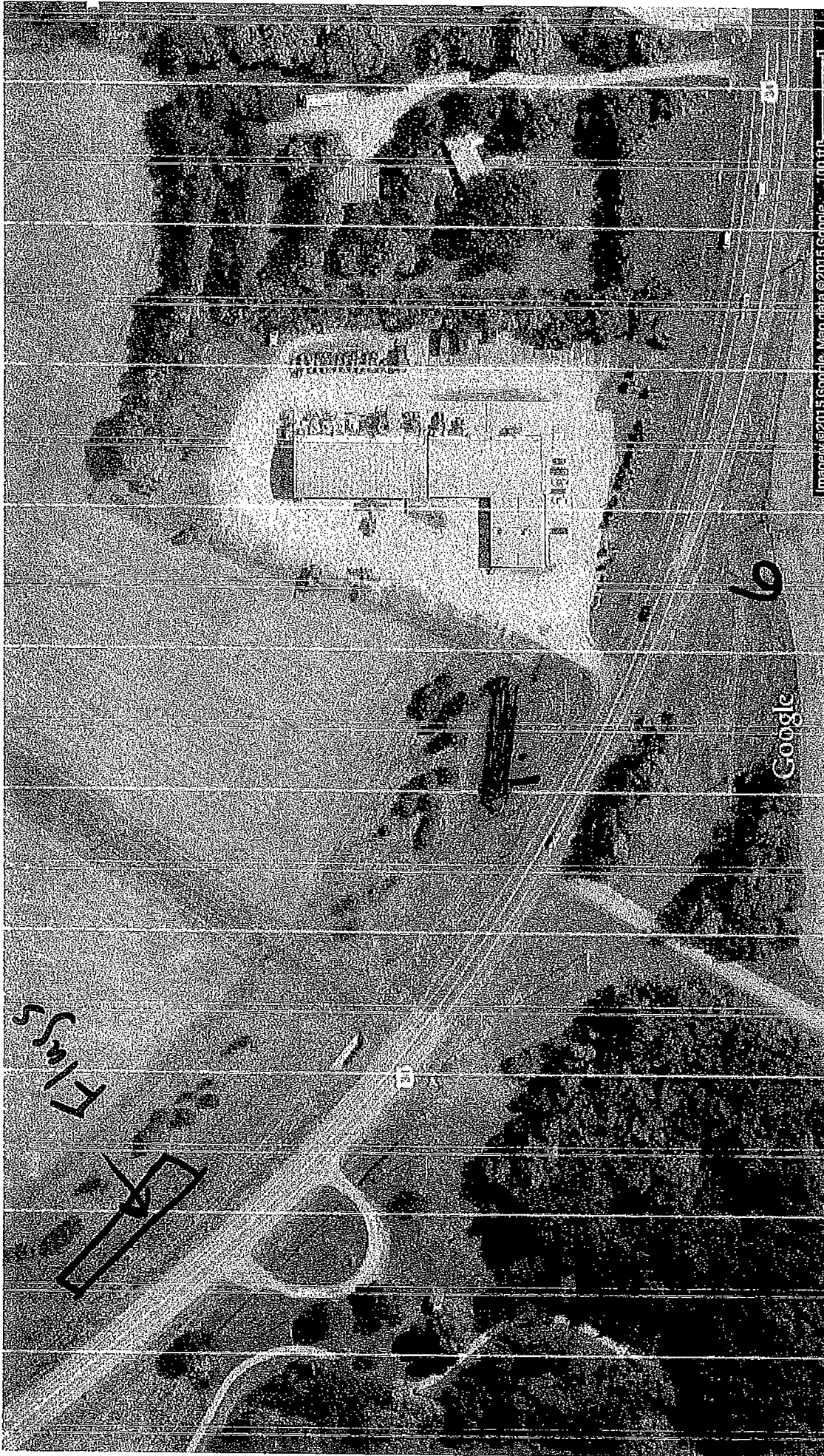
By \_\_\_\_\_

Title \_\_\_\_\_

Guaranteed By \_\_\_\_\_

Acceptance Date \_\_\_\_\_

1-800-894-4066 ♥ 402-371-4674 ♥ Fax 402-371-8831 ♥ 1805 South 13th Street ♥ P.O. Box 807 ♥ Norfolk, Nebraska 68701



left side  
of highway



**Welcome to Seward sign  
budget 8/20/15**

Description	Cost
Expenses	
Sign	\$7,655.86
Poles	\$2,100.00
Contingencies (including concrete)	\$2,000.00
Expense total	\$11,755.86

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G5**

### **CONSIDERATION OF MEMBERSHIP AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION - Jonathan Jank, SCEDC Executive Director**

**Administrative Report: Following review and discussion, a motion to approve the agreement would be in order.**

**Staff Contact:**

**PUBLIC MEMBERSHIP AGREEMENT OF  
SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION**

Whereas in accordance with the Bylaws of Seward County Economic Development Corporation (the "Corporation"), the terms of membership for the City of Seward of Seward, Nebraska ("Seward"), the County of Seward, Nebraska, (the "County") the City of Milford, Nebraska ("Milford") and the Village of Utica ("Utica"), are to be set forth in a Membership Agreement; and

Whereas, the Board of Directors of the Corporation has established the terms of membership for public members and desires that they be set forth in a Membership Agreement with each such member;

NOW THEREFORE, the Corporation and the undersigned agree as follows:

1. In accordance with the terms of a Funding Agreement between Seward and the Corporation, Seward will make a financial contribution of \$40,000 to the Corporation for the fiscal year running from October 1, 2015 through September 30, 2016. As a result of such payment, Seward shall be a member in good standing of the Corporation with the rights and obligations provided herein and in the Bylaws, including specifically, the right to name two (2) directors as set forth in the Bylaws.

2. In accordance with the terms of a Disbursement Agreement between the County and the Corporation, the County will make a financial contribution of \$50,000 to the Corporation for the fiscal year running from July 1, 2015 through June 30, 2016. As a result of such payment, the County shall be a member in good standing of the Corporation with the rights and obligations provided herein and in the Bylaws, including specifically, the right to name two (2) directors as set forth in the Bylaws.

3. In accordance with the terms of a Disbursement Agreement between Milford and the Corporation, Milford will make a financial contribution of \$10,000 to the Corporation for the fiscal year running from October 1, 2015 through September 30, 2016. As a result of such payment, Milford shall be a member in good standing of the Corporation with the rights and obligations provided herein and in the Bylaws, including specifically, the right to name one (1) director as set forth in the Bylaws.

4. In accordance with the terms of a Disbursement Agreement between Utica and the Corporation, Utica will make a financial contribution of \$5,000 to the Corporation for the fiscal year running from October 1, 2015 through September 30, 2016. As a result of such payment, Utica shall be a member in good standing of the Corporation with the rights and obligations provided herein and in the Bylaws, including specifically, the right to name one (1) director as set forth in the Bylaws.



5. For so long as the public entities listed above are members in good standing of the Corporation, each such entity shall be entitled to vote on all matters raised at meetings of the members of the Corporation, except for matters relating to election of private directors. The number of votes to which the public entity is entitled shall be equal to the total annual contribution made by the public entity divided by \$100. Each public entity shall designate a person to represent that public entity at meetings of the members and shall vote on behalf of the public entity at each meeting of the Members.

6. The term of this Membership Agreement shall begin at the start of each public member's fiscal year in 2015 and terminate at the end of their fiscal year in 2016, provided, however, that each year, the parties will negotiate in good faith for the renewal of this Agreement (as a combined Agreement or as separate agreements with Seward, Milford, Utica and the County) for an additional term upon such terms as the parties shall then agree.

7. The Corporation agrees that no person shall, on the grounds of race, color, sex, national origin and/or disability/handicap, be excluded from the participation in, be denied the benefits of, or be otherwise subjected to discrimination under any activity of the Corporation.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS OF THE FOREGOING, the parties have signed this Agreement effective as of the \_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF SEWARD, NEBRASKA

SEWARD COUNTY ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

IN WITNESS OF THE FOREGOING, the parties have signed this Agreement effective as of the \_\_\_\_ day of \_\_\_\_\_, 2015.

COUNTY OF SEWARD, NEBRASKA

SEWARD COUNTY ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Chairperson

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

IN WITNESS OF THE FOREGOING, the parties have signed this Agreement effective as of the \_\_\_\_ day of \_\_\_\_\_, 2015.

VILLAGE OF UTICA, NEBRASKA

SEWARD COUNTY ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Chairperson

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

IN WITNESS OF THE FOREGOING, the parties have signed this Agreement effective as of the \_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF MILFORD, NEBRASKA

SEWARD COUNTY ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G6**

### **CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION - Jonathan Jank, SCEDC Executive Director**

**Administrative Report: Following review and discussion, a motion to approve the agreement would be in order.**

**Staff Contact:**

### FUNDING AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the CITY OF SEWARD, NEBRASKA, a municipal corporation, hereinafter referred to as the CITY, and the SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION, a Nebraska nonprofit corporation, hereinafter referred to as the SCEDC.

#### RECITALS:

WHEREAS, the parties desire to enter into a mutually beneficial Funding Agreement for the purpose of promoting economic development in the City of SEWARD, Nebraska, and throughout Seward County, Nebraska.

NOW, THEREFORE, in consideration of the foregoing recitals and the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. The City and the SCEDC agree to enter into this Funding Agreement for the promotion of economic development as set forth above on the basis of the City's fiscal year which commences October 1, 2015 and ends September 30, 2016.

2. The City agrees to fund the promotion of economic development by paying to the SCEDC the sum of FORTY THOUSAND DOLLARS and No/100ths Dollars (\$40,000.00) subject to the following requirements:

(i) The SCEDC shall place all funds received pursuant to this Agreement in a separate segregated economic development fund ("the Public Economic Development Fund"); and

(ii) The SCEDC shall use all funds received pursuant to this Agreement only for the purpose of "encouraging immigration, new industries, and investment and to conduct and carry on a publicity campaign, . . . and advertising the various agricultural, horticultural, manufacturing, commercial, and other resources, including utility services of the City," all in accordance with **Neb. Rev. Stat. § 13-315** (Reissue 2012), a copy of which is attached hereto and marked as Exhibit "A".

3. As a way of insuring the City's funds will be used in compliance with **Neb. Rev. Stat. § 13-315**, a designee of the City and a designee of the SCEDC shall reconcile and audit the Public Economic Development Fund annually. The fiscal year end reconciliation and audit shall be completed within sixty (60) days of the close of the SCEDC's fiscal year on June 30, 2016. If there are funds remaining in the Public Economic Development Fund at fiscal year end, the funds for any authorized expenditures which accrued during the fiscal year, but which have not yet been paid for, may be retained by the SCEDC to pay the same. Any funds remaining after accounting for the authorized accrued expenses as provided herein shall be retained by the SCEDC and considered as part of the City's next fiscal year appropriation should one be made by the City for the SCEDC.

4. At the expiration date of this Funding Agreement on September 30, 2016, the parties hereto shall either enter into a new Funding Agreement for the ensuing fiscal year or this Funding Agreement shall terminate and the end of year reconciliation and audit shall be accomplished as provided for in Paragraph 3 above.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing Funding Agreement in duplicate the date and year first above written.

CITY OF SEWARD, NEBRASKA, a  
Municipal Corporation,

\_\_\_\_\_  
Joshua Eickmeier, Mayor

ATTEST:

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator/  
Clerk-Treasurer/  
Budget & Human Resource Director

Approved as to form:

City Attorney

SEWARD COUNTY ECONOMIC DEVELOPMENT  
CORPORATION, a Nebraska Nonprofit  
Corporation

\_\_\_\_\_  
President



**EXHIBIT "A"**

Neb. Rev. Stat. § 13-315. Appropriation or expenditure; purposes; method; limitation

The city commissioners or council of any city, the board of trustees of any village, and the county board of any county in the state shall have the power to appropriate or expend annually from the general funds or from revenue received from any proprietary functions of their respective political subdivision an amount not to exceed four-tenths of one percent of the taxable valuation of the city, village, or county for the purpose of encouraging immigration, new industries, and investment and to conduct and carry on a publicity campaign, including a publicity campaign conducted for the purpose of acquiring from any source a municipal electrical distribution system or exploiting and advertising the various agricultural, horticultural, manufacturing, commercial, and other resources, including utility services, of the city, village, or county. Such sum may be expended directly by the city, village, or county or may be paid to the chamber of commerce or other commercial organization or a similar county organization or multicounty organization or local development corporation to be expended for the purposes enumerated in this section under the direction of the board of directors of the organization. The total amount levied including the appropriation or expenditure made under this section shall not exceed the amount limited by law.

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G7**

### **CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD CHAMBER OF COMMERCE - Kathy Evert, Interim Executive Director**

**Administrative Report: Following review and discussion, a motion to approve the agreement would be in order.**

**Staff Contact:**

### FUNDING AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the CITY OF SEWARD, NEBRASKA, a Nebraska municipal corporation, hereinafter referred to as the CITY, and the SEWARD CHAMBER OF COMMERCE, INCORPORATED, a Nebraska nonprofit corporation, hereinafter referred to as the CHAMBER.

#### RECITALS:

WHEREAS, the parties desire to enter into a mutually beneficial Funding Agreement for the purpose of promoting economic development in the City of SEWARD, Nebraska;

NOW, THEREFORE, in consideration of the foregoing recitals and the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. The City and the CHAMBER agree to enter into this Funding Agreement for the promotion of economic development as set forth above on the basis of the City's fiscal year which commences October 1, 2015 and ends September 30, 2016.

2. The City agrees to fund the promotion of economic development by paying to the CHAMBER the sum of TWENTY TWO THOUSAND FIVE HUNDRED DOLLARS and No/100ths Dollars (\$22,500.00) subject to the following requirements:

(i) The CHAMBER shall place all funds received pursuant to this Agreement in a separate segregated economic development fund ("the Public Economic Development Fund"); and

(ii) The CHAMBER shall use all funds received pursuant to this Agreement only for the purpose of "encouraging immigration, new industries, and investment and to conduct and carry on a publicity campaign, . . . and advertising the various agricultural, horticultural, manufacturing, commercial, and other resources, including utility services of the City," all in accordance with **Neb. Rev. Stat. § 13-315** (Reissue 2012), a copy of which is attached hereto and marked as Exhibit "A".

3. As a way of ensuring the City's funds will be used in compliance with **Neb. Rev. Stat. § 13-315**, a designee of the City and a designee of the CHAMBER shall reconcile and audit the Public Economic Development Fund semi-annually. The first reconciliation and audit shall be done on or before June 1, 2016 for the six-month period from October 1, 2015 to April 30, 2016. The fiscal year end reconciliation and audit shall be completed within sixty (60) days of the close of City's fiscal year on September 30, 2015. If there are funds remaining in the Public Economic Development Fund at fiscal year end, the funds for any authorized expenditures which accrued during the fiscal year, but which have not yet been paid for, may be retained by the CHAMBER to pay the same. Any funds remaining after accounting for the authorized accrued expenses as provided herein shall be retained by CHAMBER and considered as part of the City's next fiscal year appropriation should one be made by the City for the CHAMBER.

4. At the expiration date of this Funding Agreement on September 30, 2016, the parties hereto shall either enter into a new Funding Agreement for the ensuing fiscal year or this Funding Agreement shall terminate and the end of year reconciliation and audit shall be accomplished as provided for in Paragraph 3 above.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing Funding Agreement in duplicate the date and year first above written.

CITY OF SEWARD, NEBRASKA, a  
Municipal Corporation,

\_\_\_\_\_  
Joshua Eickmeier, Mayor

ATTEST:

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator/  
Clerk-Treasurer/  
Budget & Human Resource Director

Approved as to form: \_\_\_\_\_  
City Attorney

SEWARD CHAMBER OF COMMERCE, a Nebraska  
Nonprofit Corporation

\_\_\_\_\_  
President

**EXHIBIT "A"**

Neb. Rev. Stat. § 13-315. Appropriation or expenditure; purposes; method; limitation

The city commissioners or council of any city, the board of trustees of any village, and the county board of any county in the state shall have the power to appropriate or expend annually from the general funds or from revenue received from any proprietary functions of their respective political subdivision an amount not to exceed four-tenths of one percent of the taxable valuation of the city, village, or county for the purpose of encouraging immigration, new industries, and investment and to conduct and carry on a publicity campaign, including a publicity campaign conducted for the purpose of acquiring from any source a municipal electrical distribution system or exploiting and advertising the various agricultural, horticultural, manufacturing, commercial, and other resources, including utility services, of the city, village, or county. Such sum may be expended directly by the city, village, or county or may be paid to the chamber of commerce or other commercial organization or a similar county organization or multicounty organization or local development corporation to be expended for the purposes enumerated in this section under the direction of the board of directors of the organization. The total amount levied including the appropriation or expenditure made under this section shall not exceed the amount limited by law.

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G8**

### **CONSIDERATION OF SETTLEMENT AGREEMENT WITH CHARLES AND LAVONNE EVANS REGARDING PURCHASE OF CEMETERY LOTS AT SEWARD GREENWOOD CEMETERY - City Attorney Hoffschneider**

**Administrative Report:** Charles and Lavonne Evans purchased two cemetery lots at Seward Greenwood Cemetery. The City erroneously sold the same lots to another party and buried a family member prior to the City recognizing the error. Charles and Lavonne Evans were contacted about the error and they have since selected two different lots. Staff is suggesting providing a no cost opening and closing of the two new lots the Evans' purchased, in recognition of the error. The attached Settlement Agreement would document the no cost service.

Steps have been taken to lessen the likelihood of similar future errors.

After review and discussion, a motion to approve the settlement agreement would be in order.

Staff Contact:

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (hereinafter referred to as “Agreement”) is made and entered into this \_\_\_\_ day of October, 2015, by and between Charles C. and Lavonne M. Evans (“Evans”) and the City of Seward, Nebraska, a Nebraska municipal corporation (“City”).

WHEREAS, the parties wish to avoid any potential dispute arising out of Evan’s purchase of cemetery spaces at the Seward Greenwood Cemetery (“the Purchase”) and as result, have reached an agreement under the terms and conditions outline herein; and

WHEREAS, Evans and the City desire to avoid any controversy between them and to reach a mutual agreement and release under the terms and conditions herein outlined:

NOW, THEREFORE, for good and valuable consideration and consideration of the agreements, covenants, and conditions herein contained, the sufficiency of which is hereby acknowledged, Evans and the City agree as follows:

**1. CONSIDERATION.** The parties stipulate and agree that the City shall not be liable to Evans for payment of any monetary consideration for the City’s actions concerning cemetery spaces that had been previously purchased by Evans. The City shall provide as consideration for this Agreement, the opening and closing services for two newly deeded cemetery lots at no cost to Evans. The City and Evans agree to execute any and all documents necessary to effectuate the conveyance of these two lots to Evans.

**2. VOLUNTARY ACT.** Each party acknowledges that the execution of this Agreement is the voluntary act and deed of each party, and such execution is in no way procured by duress, coercion, or over-reaching.

3. **AUTHORITY.** Each party represents and warrants that they have full power and authority to enter into this Agreement, and that they have not heretofore signed or transferred to any person or entity any claim or claims against the other.

4. **NO ADMISSION.** This Agreement is intended to resolve all issues and claims either party may claim against the other, and in consideration given hereunder by the parties hereto, and is not to be considered an admission of liability by the parties, liability on the premises begin expressly denied. This Agreement, its execution, and its implementation shall not in any respect be construed as an admission of liability, and shall not be admissible in any proceeding under any Federal, State or local statute, regulations, order, or common law principle.

5. **EVANS'S RELEASE.** Evans, for and in consideration of the terms and conditions of this Agreement, does hereby fully release and forever discharge the City from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, and causes on account of any and all injuries, damages, losses, and expenses, including financial loss of any kind, liquidated damages, punitive damages, and litigation costs, arising out of the Purchase. Evans also covenants that they have not in any way assigned this claim and will not initiate any proceeding against the City in any Federal, State or local agency or court seeking a recovery based on any claim covered by this release, with the exception of any future claim for breach of this Agreement.

6. **ENTIRE AGREEMENT.** This Agreement represents the entire agreement and supercedes any other written or oral understandings between the parties. This Agreement shall be final and binding as to all claims which have been or could have been advanced on behalf of Evans against the City. No other promises or agreements shall be binding unless reduced to writing and signed by both parties.



7. **SEVERABILITY.** Should any portion of this Agreement be held invalid or legally unenforceable by a court of competent jurisdiction, the parties agree that the remaining portions of this Agreement shall not be affected thereby, and shall be given full force and effect.

8. **TERMS CONTRACTUAL.** The parties understand that the terms of this Settlement Agreement and Release are contractual and not merely a recital.

9. **GOVERNING LAW.** This Settlement Agreement and Release and the effect of the same shall be construed, determined and governed by the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

---

CHARLES C. EVANS

---

LAVONNE M. EVANS

---

CITY OF SEWARD, NEBRASKA,  
BY: JOSHUA EICKMEIER, MAYOR

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G9**

### **CONSIDERATION OF SEWARD FOUNDATION APPLICATIONS - Becky Baker**

*Consideration of Seward Memorial Library request in the amount of \$1,135 as a grant funding match to purchase a table and chairs for use with an Early Literacy Station (Bilingual) and Edge Tablet equipment.*

**Administrative Report:** Following review and discussion, a motion to forward the application to the Seward Foundation or deny the application would be in order.

**Staff Contact:**

# SEWARD FOUNDATION, INC. GRANT REQUEST FORM

**NAME OF PROJECT:**

AWE for Seward

**NAME/ADDRESS/PHONE # OF CONTACT PERSON:**

Becky Baker, Seward Memorial Library  
233 S. 5<sup>th</sup> Street  
Seward, NE 68434  
(402)643-3318

**THIS PROJECT IS BEING SUBMITTED TO THE:**

**XX** CITY COUNCIL ~~SCHOOL BOARD~~ (Please check one)

**FOR FURTHER CONSIDERATION. IT IS UNDERSTOOD THAT UPON  
APPROVAL BY THE AFOREMENTIONED ENTITY THIS GRANT REQUEST  
FORM WILL IN TURN BE SUBMITTED TO THE SEWARD FOUNDATION,  
INC. FOR FINAL DETERMINATION.**

**DESCRIPTION OF PROJECT: Please provide a brief description of the project  
under consideration and the proposed use of Seward Foundation, Inc. grant monies.**

The library would purchase an Early Literacy Station (Bilingual), an AfterSchool Edge (tablet platform), and various accessories for this technology from AWE Digital Learning Solutions. A table and chairs would also be needed for the equipment. Programs for children and their caregivers would follow staff training. Programs for local parenting groups would also be offered covering this new technology. The Seward Memorial Library asks for funds to go towards the 25% match required by the Nebraska Library Commission, if they approve our grant request. We will learn of their decision by November 9, 2015.

In the library's recently approved strategic plan, one item of concern noted by members of the public was that more quality activities for families were needed in Seward. The programs offered in coordination with the addition of the AWE technology would be one attempt to address this concern. Another item mentioned was that citizens of Seward needed to be friendlier to newcomers. The bilingual nature of the ELS will be used to make those who are new to Seward and to the English language feel more welcome at the library.

**ADDITIONAL INFORMATION: Please provide additional information regarding the project including the need that the project fulfills within the community and the target market for the project. How will this project be promoted to the community at large?**

The Early Literacy Station is an all-in-one digital learning solution for early learners, ages 2-8. It will be in English and Spanish, and features over 65 content applications and includes annual version upgrades. It is NOT connected to the Internet, so some parents may feel more comfortable allowing their children to have access to this technology compared to library computers. The AfterSchool Edge, which we plan to get in tablet format, features content for elementary age students who are ages 6-12 years old that correlates to Common Core and state education standards. This will also not be connected to the Internet so again, parents may feel more at ease when their children use this technology.

Estimates from the 2013 American FactFinder indicate that there are 438 children in Seward under the age of 5. However, only an estimated 48% of 3 and 4 year-olds attend any kind of preschool. Using the library is one way the other 52% of preschoolers may broaden their educational experiences. The library provides literacy support for all young children whether or not they attend preschool elsewhere and the AWE technology will assist in this effort. Statistics also estimate there are 460 children ages 5 to 9 in the City of Seward and exposure to this technology and its content applications may also be important to their development, especially since American FactFinder estimates that 6.3% of families in Seward live below the poverty level and many of these include children under the age of 18. These families most likely do not have expendable income for computers or similar technologies so once more the library can step in to help students become more familiar with electronic resources.

Finally, Seward is extremely homogenous. Our population is 96.8% white and only 1.9% of this number is Latino/Hispanic. The library needs to welcome those for whom English is a learned language no matter how small the segment of population; having the ELS-Bilingual AWE technology will go far to meet this need. Native English speakers may also benefit from exposure to the Spanish language content this machine will make available.

The programs that staff can offer once these machines are installed will be promoted through the library newsletter, website, and Facebook page. We will also promote it on our monthly Leading to Reading postcards and in-house through signs and bookmarks. We will send information to the elementary schools in town, and we will ask the Seward County Independent to do a story about the new resources at the library.

**FINANCIAL INFORMATION:** Please provide financial information for the proposed project detailing out the overall estimated cost of the project and the sources and uses of funds including this grant application. Note: The Seward Foundation, Inc. prefers and encourages investment and support from other outside entities to fund projects.

**TOTAL PROJECT COST:** \$6,135

SOURCES OF FUNDS:

Nebraska Library Commission

NLC and Seward Foundation

Seward Foundation

Seward Memorial Library

Seward Memorial Library

USES OF FUNDS:

Early Learning Station (AWE) and part of the Edge Tablet

Edge Tablet (partial) and accessories for all AWE equipment

Table and Chairs for AWE equip.

Staff training, planning, and programs

All promotional costs

**OPERATING BUDGET:** Please attach and provide an on-going budget for this program/project.

See attached.

Who will continue to fund and maintain this program/project on an on-going basis?

The budget of the Seward Memorial Library will take care of any ongoing costs of maintenance and all programming and promotional costs.

Describe how the budget figures were arrived at?

Quotes were received from vendors for the digital equipment and table/chairs, hourly wages for library staff were used to estimate training and program time costs, and promotional costs from similar projects were researched.

Will this grant be sufficient to start/continue this program/project?

This grant, if received, will be part of a local match for the Nebraska Library Commission grant that will be announced Nov. 9. If both grants are approved, the library is ready to proceed immediately.

Are you submitting this request elsewhere for funding considerations? If so, to whom and for how much?

The total cost of this program at \$6,135. We are submitting a grant to the Nebraska Library Commission for \$4,600. They require a 25% matching grant, so the \$1,135 requested from the Seward Foundation and the \$400 from the Seward Memorial Library will complete the project.

Has this request been made elsewhere and turned down? If so, why?

We submitted this grant to the Nebraska Library Commission last year and did not receive it because they received an overabundance of grant requests from other libraries for this same purpose. We were told we would receive strong consideration (though no promise) if we resubmitted the request this year. This is the final year the NLC will provide grant funds for the AWE equipment we would like to purchase.

After grant monies from the Seward Foundation, Inc. has been expended what plans are being made to ensure the ongoing operation of the project/program?

The use of these technologies supports what the library stands for – exposing children to the wonders of learning and reading. They will be updated annually to remain fresh for the users and staff will continue to promote the equipment in future programs.

**OTHER INFORMATION:**

Is this project application related to a new or on-going program?

This is a new project for the library.

Who was involved in the development and planning of this program/project?

Becky Baker, Library Director

Becky Reisinger, Library Assistant I / Children's Services

Will this program/project be evaluated regularly and if so by whom?

The use of this technology will be evaluated by the entire library staff in May 2016 and programming will be adjusted, if necessary, before summer programs begin. The equipment itself provides usage reports that will be helpful, as will informal interviews with families who use it.

Is the project/program ready to begin immediately? Yes

If not, what is the target date for completion and/or readiness?

Budget Information for *AWE for Seward*:

The ELS Bilingual version is \$2,750 and the AfterSchool Edge tablet is \$2,255. Other items from AWE include a damage warranty, a protective case for the tablet, headphones for the ELS, and shipping/handling that total \$330.

A children's table and 2 chairs for this equipment is estimated \$400 (shipping/handling estimated).

Staff training and planning time will cost at minimum \$200 and promotion of the technology will be at least another \$200. Staff time and promotion costs will include AWE programs as well.

We are asking for \$1,135 from the Seward Foundation that would add to the \$4,600 we are requesting from the Nebraska Library Commission and the \$400 (cash and in-kind) from the Seward Memorial Library budget.

Total Project Cost: \$6,135

**FOR CITY COUNCIL/BOARD OF EDUCATION USE:**

**Is this particular request part of the City Council/Board of Education long range planning?** \_\_\_\_\_

\_\_\_\_\_  
**How does this request help fulfill the mission of the City/School District and why should Seward Foundation, Inc. consider funding this grant application?** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
**List in priority order all of the spring/fall (circle one) Seward Foundation, Inc. grant requests from the City Council/Board of Education (circle one).**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

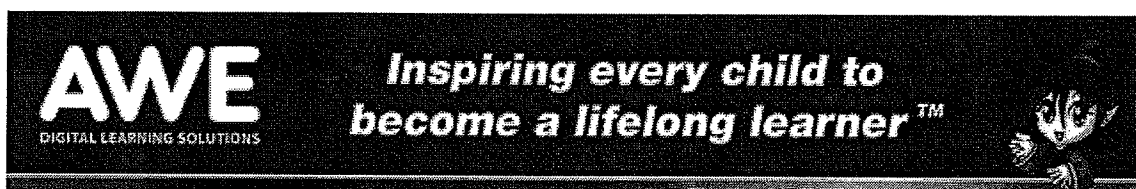
**This application was approved for submission by the City Council/Board of Education at its \_\_\_\_\_ (date) meeting by a vote of \_\_\_\_\_ (vote results). I have read the entire grant request application and believe it meets the mission of Seward Foundation, Inc. for funding.**

**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_

**Signature of President of City Council  
or Board of Education required.**





AWE is excited to offer a  
**Multi-State Group Special Discount!**

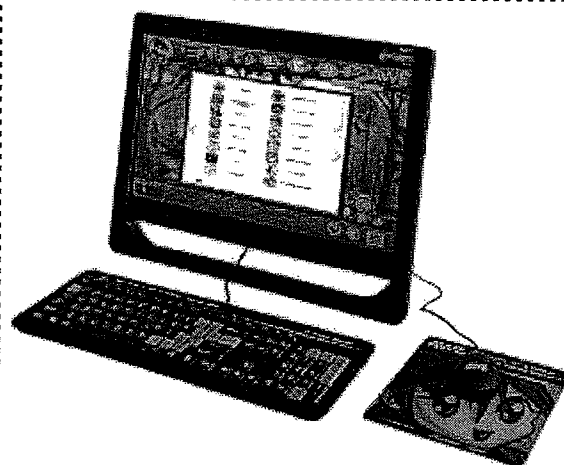
*September 1, 2015 through December 15, 2015*

**Provide a safe, digital learning experience at your library.**

AWE's digital learning solutions for young learners immerse children in an extremely rich environment with engaging content, reliable and low maintenance technology, and an easy to navigate administration system.

- **Early Literacy Station: Ages 2-8**
- **AfterSchool Edge: Ages 6-12**

- **Content:** Over 65 award-winning applications.
- **STEM & STREAM:** Over 4,000 multi-curricular learning activities.
- **Safe Learning Environment:** No internet required.
- **Usage Tracking:** Track usage to validate your investment.
- **Ease of Use:** Plug-and-play solution, out of the box ready.
- **Time-tested:** 47% of public libraries use AWE products to improve literacy and increase patron visits.



Product	List Price	Special Rate
Early Literacy Station*	\$3,150	\$2,599
AfterSchool Edge*	\$3,150	\$2,599
Early Literacy Station- Bilingual Spanish*	\$3,350	\$2,750
Early Literacy Station Tablet^	\$2,750	\$2,255
AfterSchool Edge Tablet^	\$2,750	\$2,255

**Contact your local AWE account executive to place your order!**

Cynthia Busse

Linda Weaver

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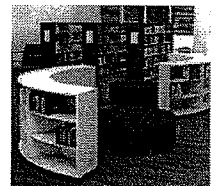
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## Jonti-Craft® Berries® Activity Tables

Jonti-Craft KYDZ Activity Table Rectangle 72"W x 30"D  
Item #: WF12230400

★★★★★ Write a review

**\$189.99**

[Reset Options](#)

Color Edge ▼

Rectangle ▼

72"W x 30"D ▼

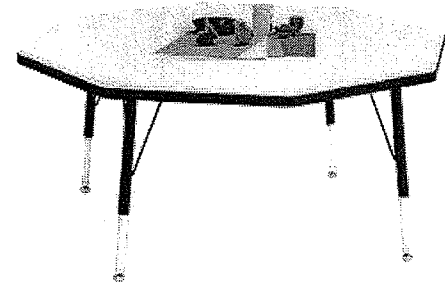
15"H - 24"H for elementary ▼

Select Edge/Leg color

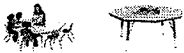


Quantity:

[ADD TO CART](#)



More Views:



### Product Details

Bright colors attract kids

- 1-1/8" thick scratch-resistant, speckled gray laminate tops
- Moisture-resistant, thermofused edge banding
- Dual-screw, quick-mount legs
- Height adjustable in 1" increments
- Upper leg is powder-coat painted to match edge band color
- Nylon swivel glides prevent rusting

Moderate Assembly

### Videos

### Templates

### Additional Info

### Availability

Jonti-Craft KYDZ Activity Table Rectangle 72"W x 30"D

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\$129.99 - \$324.99

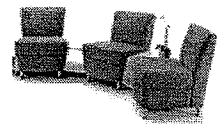
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COLLABORATIVE  
TABLES & CHAIRS



Shop Now >

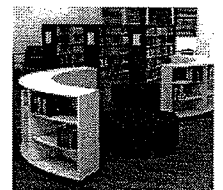
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OFF

Check out this month's

## Jonti-Craft® Berries® Stack Chairs

Jonti-Craft Berries Chairs 14"H Seat, Powder Coated Legs  
Item #: WF12230590

★★★★★ 5.0 (3) Write a review

\$40.99

Reset Options

Pow der Coated Frame ▾

14"H ▾

Select Seat color



Quantity Pricing Discount:

1+  
\$40.99

15+  
\$38.99

Quantity:

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More Views:



### Product Details

Variety of colors to fit any environment

- Heavy-gauge steel frames
- Polypropylene shells dissipate static electricity
- Concealed rivets will not snag clothes

### Videos

### Templates

 [Chair/Desk Size Chart](#)

### Additional Info

#### Availability

Jonti-Craft Berries Chairs 14"H Seat, Powder Coated Legs

This product ships directly from the manufacturer in approximately 22 working days.

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G10**

### **CONSIDERATION OF A RESOLUTION AUTHORIZING THE LEASE/PURCHASE AND/OR FINANCE OF EQUIPMENT THROUGH CATERPILLAR FINANCIAL SERVICES CORPORATION - John Hughes**

**Administrative Report: The request is to lease one new 120M2 Caterpillar Motor Grader at an annual cost of \$20,258.69 with a buyout at the end of the 60-month lease of \$140,280.**

**This item was included in the Capital Projects Plan to be paid by the Street Department with a budgeted amount of \$25,000.....**











**Following discussion, a motion to approve the resolution authorizing the lease agreement and the Mayor to execute said lease would be in order.**

**Staff Contact:**

RESOLUTION NO.

WHEREAS, the laws of the State of Nebraska (the "State") authorize City of Seward (the "Governmental Entity"), a duly organized political subdivision, municipal corporation or similar public entity of the State, to purchase, acquire and lease personal property for the benefit of the Governmental Entity and its inhabitants and to enter into any necessary contracts; and

The Governmental Entity wants to lease, purchase and/or finance equipment ("Equipment") from Caterpillar Financial Services Corporation and/or an authorized Caterpillar dealer ("Caterpillar") by entering into that certain Governmental Equipment Lease-Purchase Agreement (the "Agreement") with Caterpillar; and

the form of the Agreement has been presented to the governing body of the Governmental Entity at this meeting.

BE IT THEREFORE RESOLVED, that: (i) the Agreement, including all schedules and exhibits attached to the Agreement, is approved in substantially the form presented at the meeting, with any Approved Changes (as defined below), (ii) the Governmental Entity enter into the Agreement with Caterpillar and (III) the Agreement is adopted as a binding obligation of the Governmental Entity; and

that changes may later be made to the Agreement if the changes are approved by the Governmental Entity's counsel or members of the governing body of the Governmental Entity signing the Agreement (the "Approved Changes") and that the signing of the Agreement and any related documents is conclusive evidence of the approval of the changes; and

that the persons listed below, who are the incumbent officers of the Governmental Entity (the "Authorized Persons"):

Joshua Eickmeier, Mayor

be, and each is authorized, directed and empowered, on behalf of the Governmental Entity, to (i) sign and deliver to Caterpillar, and its successors and assigns, the Agreement and any related documents, and (ii) take or cause to be taken all actions he/she deems necessary or advisable to acquire the Equipment, including the signing and delivery of the agreement and related documents; and

that the City Clerk of the Governmental Entity is authorized to attest to these resolutions and affix the seal of the governmental Entity to the Agreement, these resolutions, and any related documents; and

that nothing in these resolutions, the Agreement or any other document imposes a pecuniary liability or charge upon the general credit of the Governmental Entity or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligations of the Governmental Entity as provided in the Agreement; and

that a breach of these resolutions, the Agreement or any related document will not impose any pecuniary liability upon the governmental Entity or any

charge upon its general credit or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligation of the Governmental Entity as provided in the Agreement; and

that the authority granted by these resolutions will apply equally and with the same effect to the successors in office of the Authorized Persons.

The Mayor declared the resolution adopted.

Dated: October 6, 2015

THE CITY OF SEWARD, NEBRASKA

ATTEST:

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator/  
Clerk-Treasurer/  
Budget & Human Resource Director

(SEAL)

1. PARTIES

LESSOR ("we", "us" or "our"):

**CATERPILLAR FINANCIAL SERVICES CORPORATION**  
2120 West End Avenue  
Nashville, TN 37203

LESSEE ("you" or "your"):

**CITY OF SEWARD**  
537 MAIN STREET  
SEWARD, NE 68434

In reliance on your selection of the equipment described below (each a "Unit"), we have agreed to acquire and lease the Units to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNIT(s) Whether the Unit is new or used, the model number, the manufacturer, and the model name.	SERIAL/VIN Unique ID number for this Unit.	ANNUAL RENT This is due per period, as stated below in Section 4.	OPTION PURCHASE PRICE Payment at end of lease for purchase of Unit (see Section 16).	MAX ANNUAL HOURS/ MILEAGE Maximum annual usage of Unit (see Application Survey).	DELIVERY DATE Enter date machine was delivered to you.
1 New 120M2 Caterpillar Motor Grader		\$20,258.69	\$140,280.00 (Cat Value Option)	500	

LOCATION OF UNITS: 537 MAIN ST  
SEWARD, NE 68434, SEWARD

You acknowledge that the Units described above were delivered to you in good working condition and that you accepted them on the date indicated.

You agree with us that the Option Purchase Price, if set forth above and identified as a Cat Value Option, is not less than the reasonably expected Residual Value (as defined in Section 10) of such Unit.

The Application Survey ("Application Survey") submitted by you to us for each Unit is made a part of and incorporated into this Lease.

TERMS AND CONDITIONS

3. **Lease Term** The Lease Term will start on the date we sign the Lease and will continue for 60 months, unless earlier terminated or canceled as permitted herein.

4. **Rent** You will pay us the Annual Rent beginning on the date we sign this Lease and on the same date of each year thereafter for the entire Lease Term. Annual Rent will be due without demand. You will also pay us all other amounts payable under the terms of this Lease and under any other document executed in connection with this Lease, including each Application Survey (the "Lease Documents") ("Other Payments", and together with the Monthly Rent, collectively, the "Rent"). You will pay the Rent to us at Caterpillar Financial Services Corporation; PO Box 100647; Pasadena, CA 91189-0647 or such other location that we designate in writing. **You agree this Lease constitutes a non-cancelable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier (as defined below), the manufacturer of each Unit, or any other**

**third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.**

5. **Late Charges** If we do not receive a Rent payment on the date it is due, you will pay us, on demand, a late payment charge equal to five percent (5%) of the late Rent payment.

6. **Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or the seller of the Units. WE MAKE NO WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THIS LEASE OR TO ANY UNIT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH UNIT IS LEASED "AS IS, WHERE IS." WE MAKE NO WARRANTIES AS TO THE QUALITY OF MATERIALS OR WORKMANSHIP OR THAT THE MATERIALS OR WORKMANSHIP COMPLY WITH THE TERMS OF ANY PURCHASE ORDER OR AGREEMENT. WE EXPRESSLY DISCLAIM, AND YOU WAIVE ALL OTHER WARRANTIES AND CLAIMS EXPRESS OR IMPLIED,



ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY UNIT OR THIS LEASE, INCLUDING WITHOUT LIMITATION: (A) ANY IMPLIED WARRANTY THAT ANY UNIT IS MERCHANTABLE; (B) ANY IMPLIED WARRANTY THAT ANY UNIT IS FIT FOR A PARTICULAR PURPOSE; (C) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE; (D) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY IN TORT; AND (E) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY UNIT, FOR LOSS OF USE, REVENUE, OR PROFIT WITH RESPECT TO ANY UNIT, FOR ANY LIABILITY TO ANY THIRD PARTY, OR FOR ANY OTHER INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING STRICT OR ABSOLUTE LIABILITY IN TORT. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit). You agree to pursue only these third parties for any and all claims concerning any Unit except as to ownership and title. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.

**7. Possession, Use, and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws and regulations, including the rules or limits on idling, fleet average or site based exhaust emissions, or operational limitations, for which you have sole responsibility for compliance. (b) You will not abandon a Unit. (c) You will not sublease a Unit or permit the use of a Unit by anyone other than you. (d) You will not change the use of a Unit from that specified in the Application Survey, without our prior written consent. (e) You will not change the Location of a Unit from that specified above without providing us with prompt written notice of such change. (f) You will not remove a Unit from the United States. (g) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, or encumbrance on any of your rights under this Lease or with respect to a Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right (but not the obligation) to inspect each Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter a Unit or affix any accessory or equipment to a Unit if doing so will impair its originally intended function or use or reduce its value. You will not make any "non-severable" addition (as defined for federal income tax purposes) to a Unit without our prior written consent. If added to a Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. If an Event of Default has occurred and is continuing, all parts, accessories, and equipment affixed to a Unit will become our property.

**8. Taxes** Rent includes all taxes arising from, or due in connection with, this Lease or the Units. You will pay when due, or promptly reimburse us for payment of, all taxes (other than our federal, state, or local net income taxes) imposed on a Unit, or the Rent. You will also pay or reimburse us for all (i) license and registration fees, (ii) fines, penalties, interest, or additions to any tax, (iii) charges similar to those stated in clauses (i) and (ii) that are imposed in connection with the ownership, possession, use, or lease of a Unit from the time we purchase the Unit until it is returned to us or purchased by you. You will remain responsible for the payment, or reimbursement of, any such charges, regardless of when we receive notice of the charge. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. Except as provided in this section, you agree that we are entitled to receive any and all federal, state, or local tax credits and benefits, if any, applicable to a Unit. We are entitled to income tax depreciation deduction for each Unit based on the use as described in the Application Survey.

**9. Tax Indemnity** This Lease is entered into on the basis that we are entitled to claim certain depreciation deductions on the Units in accordance with Section 168(a) of the Internal Revenue Code of 1986, as amended, (the "Code") based upon the applicable depreciation method and recovery period specified in Code Sections 168(b) and (c), and to similar state and local income tax deductions (collectively, the "Tax Benefits"). Our classification of a Unit under Code Section 168(e), our determination of the applicable depreciation method and recovery period, and our claim for an entitlement to the Tax Benefits are based solely upon your representations in Section 7 and the applicable Application Survey. If we do not receive nor retain all of the Tax Benefits anticipated with respect to any Unit (a "Tax Loss"), because (a) of a change in the US federal income tax rate, (b) you move any Unit outside the United States, or (c) you use any Unit for a different purpose than stated in the applicable Application Survey; you will pay us, within thirty (30) days after we provide you written notice of such Tax Loss, an amount which, in our opinion, will cause our net after-tax rate of return over the Lease Term in respect to the Unit to equal the net after-tax rate of return we would have realized if such Tax Loss had not occurred. For purposes of this section, we may be included in any affiliated group (within the meaning of Section 1504 of the Code) of which we are a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

**10. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under the Lease or any other Lease Document. (b) You will provide prompt, written notice to us of any Total Loss (as defined below) or any material damage to any Unit. Any such notice will include any damage reports provided to any governmental authority, an insurer, or the Supplier, and any documents pertaining to the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Total Loss, to restore the Unit to the condition required by this Lease. (d) A Unit has incurred a "Total Loss" upon: (i) the disappearance, theft or destruction or any other total loss of such Unit; (ii) damage to the Unit that is uneconomical to repair; or (iii) the condemnation, confiscation, or other taking of title to or use of a Unit or the imposition of any lien on such Unit by any governmental authority. On the next Rent due date following a Total Loss (a "Loss Payment Date"), you will pay us the Monthly Rent due on that date plus the Casualty Loss Value of the Unit with respect to which the Total Loss has occurred (the "Lost Units"), together with any Other Payments due with respect to the Lost Units. Until such payment is made, you will continue to pay us the Monthly Rent on the due dates set forth in Section 4. Upon making the full payment required on the Loss Payment Date, your obligation to pay future Monthly Rent on the Lost Units will terminate, but you will remain liable for all Monthly Rent and all Other Payments on any remaining Units. Furthermore, upon receipt of the full payment required on the Loss Payment Date, we convey to you all of our right, title, and interest in the Lost Units, "AS IS WHERE IS", but subject to the requirements of any third party insurance carrier in order to settle an insurance claim. "Residual Value" means the future fair market value of a Unit at the end of the Lease Term (determined at Lease inception). "Casualty Loss Value" means the sum of: (i) the discounted present value of all unpaid future Rent for the Lost Units; (ii) the discounted present value of the Lost Unit's Residual Value as determined by us; and (iii) all other amounts then due under this Lease with respect to the Lost Units (including all Other Payments then owing and unpaid). If the Total Loss occurs after the final Rent due date of the Lease Term, the Casualty Loss Value will be determined as of the last Monthly Rent due date during the Lease Term. (e) We are not required to pursue any claim against any person in connection with a Total Loss or other loss or damage. (f) If we receive a payment under an insurance policy required under this Lease in connection with any Total Loss or other loss or damage to a Unit, and such payment is both unconditional and indefeasible, then provided you have complied with the applicable provisions of this section, we will either (i) if the payment results from a Total Loss, send you proceeds up to an amount equal to the Casualty Loss

Value you previously paid us, or credit the proceeds against any amounts you owe us or (ii) if the payment results from repairs made pursuant to Section 10(c), send you proceeds up to an amount equal to the amount of your actually incurred costs of repair.

**11. Waiver and Indemnity** You release and agree to indemnify, defend, and keep harmless, us (including any assignee of ours) and our directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all Claims (defined below) (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims, when and as they become due. We will give you prompt notice of a Claim. You are entitled to control the defense of or to settle a Claim, so long as: (a) no Event of Default has occurred and is then continuing; (b) you are financially capable of satisfying your obligations under this section; and (c) we approve your proposed defense counsel. "Claims" means all claims, allegations, judgments, settlements, suits, actions, damages (whether incidental, consequential or direct), demands (for compensation, indemnification, reimbursement or otherwise), losses, penalties, fines, liabilities (including strict liability), and charges that we incur or for which we are or may be responsible, in the nature of interest, liens, and costs (including attorneys' fees and disbursements and any other legal or non-legal expenses of investigation or defense of any Claim, whether or not the Claim is ultimately defeated, or enforcing the rights, remedies, or indemnities provided for hereunder, or otherwise available at law or in equity to us), of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, by or against any person. Claims include any of the foregoing arising from: (i) a Lease Document; (ii) a Unit, including the contents and any regulated or hazardous substances at any time contained in a Unit or emitted from a Unit, (iii) the premises at which any Unit may be located from time to time; (iv) the ordering, acquisition, delivery, installation, or rejection of a Unit; (v) the possession of a Unit or any property to which the Unit may be attached from time to time; (vi) the maintenance, use, condition, ownership or operation of any Unit, during the Lease Term; (vii) the existence of a latent or other defect (whether or not discoverable by you or us) with respect to a Unit; (viii) any Claim in tort for negligence or strict liability in relation to a Unit; (ix) any Claim for patent, trademark or copyright infringement in relation to a Unit; (x) the Total Loss or damage, return, surrender, sale, or other disposition of any Unit or any part thereof; or (xi) any Claim involving or alleging environmental damage, or any criminal or terrorist act, relating in any way to a Unit. To the extent necessary under law or regulation, in order to eliminate liability for us, we transfer and you accept the transfer from us of any and all liability associated with exhaust emissions in connection with the Units. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable attorneys' fees, incurred by us or our directors, officers, employees, agents, or assigns in defending such claims or in enforcing this section. Under no condition or cause of action will we be liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

**12. Insurance** You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for an amount at least equal to the then-applicable Casualty Loss Value. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. The insurance shall be primary, without the right of contribution from any insurance carried by us. You must promptly notify us of any occurrence that may become the basis of a claim. You must also provide us with all requested pertinent data. Upon demand, you must promptly deliver to us evidence of insurance coverage.

**13. Events of Default** Each of the following is an event of default ("Event of Default"): (a) You fail to make a payment when due. (b) A representation or warranty made to us in connection with this Lease is incorrect or misleading. (c) You fail to observe or perform a covenant, agreement, or warranty and the failure continues for ten days after written notice to you. (d) A default occurs under any other agreement between you or a guarantor of this Lease (each a "Guarantor") and us or an affiliate of ours. (e) You, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors. (f) Any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within thirty days after filing or appointment. (g) There is a material adverse change in your, or a Guarantor's, financial condition, business operations or prospects. (h) There is a termination, breach, or repudiation of a Guarantor's guaranty.

**14. Remedies** (a) If an Event of Default occurs, we will have the rights and remedies provided by this Lease and under the Uniform Commercial Code ("UCC") and any other law. Among these rights and remedies are to: (i) proceed at law or in equity, to enforce specifically your performance or to recover damages; (ii) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations, (iii) require you to assemble Units and make them available to us at a place we designate; (iv) enter premises where a Unit may be located and take immediate possession of such Unit and remove (or disable in place) such Unit (and any unattached parts) without notice, liability, or legal process; (v) use your premises for storage without liability; (vi) sell or lease any of the Units, whether or not in our possession, at public or private sale, with or without notice to you, and apply or retain the net proceeds of such disposition in accordance with this Lease; (vii) enforce any or all of the preceding remedies with respect to any related collateral, and apply any deposit or other cash collateral, or any proceeds of any such collateral, at any time to reduce any amounts you owe us; (viii) demand and recover from you all Liquidated Damages (as defined below) and all Other Payments whenever they are due; and (ix) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Customer Service Agreement, or similar agreement, we may cancel the agreement on your behalf and receive the refund of the fees that we financed but had not received from you as of the date of the Event of Default. As used herein, "Liquidated Damages" means the liquidated damages (all of which, you hereby acknowledge, are damages to be paid in lieu of future Monthly Rent and expected Residual Values and are reasonable in light of the anticipated harm arising by reason of an Event of Default, and are not a penalty) described in the first sentence of parts (i) or (ii) of Section 14(b) below, depending upon the recovery and disposition of the Units.

(b) If an Event of Default occurs and:

(i) we recover a Unit and dispose of it by a lease or elect not to dispose of the Unit after recovery, you will pay us on demand an amount equal to the *sum* of (A) any accrued and unpaid Rent as of the date we recover the Unit, *plus* (B) the present value as of such date of the total Monthly Rent for the then remaining Lease Term, *minus* (C) either (1) the present value, as of the commencement date of any substantially similar re-lease of the Unit, of the re-lease rent payable to us for the period, commencing on such commencement date, which is comparable to the then remaining Lease Term or (2) the present value of the "market rent" for such Unit (as computed pursuant to Article 2A of the UCC ("Article 2A")) in the continental United States as of the date on which we have a reasonable opportunity to remarket the Unit for the period, commencing on such date, which is comparable to the then remaining Lease Term, as applicable; provided, however, you acknowledge that if we are unable after a reasonable effort to dispose of the Unit at a reasonable price and pursuant to other reasonable terms, or the circumstances reasonably indicate that

such an effort will be unavailing, the "market rent" in such event will be deemed to be \$0.00, but in the event that we do eventually re-lease or otherwise dispose of the Unit, we will apply the net proceeds of such disposition, to the extent received in good and indefeasible funds, as a credit or reimbursement, as applicable, in a manner consistent with the terms of this Lease and the applicable provisions of Article 2A. Any amounts discounted to present value, shall be discounted at the rate of three percent (3%) per annum, compounded annually;

(ii) you fail to return a Unit in the manner and condition required by this Lease, or we recover and sell the Unit, you will pay to us on demand an amount calculated as the Casualty Loss Value of the Unit (determined as of the next Monthly Rent payment date after the date of the Event of Default), together with all costs and expenses (as defined below), less a credit for any disposition proceeds, if applicable pursuant to the application provisions in the next sentence. If we demand the Liquidated Damages under this part (ii) and recover and sell the Unit, we will apply any proceeds received in good and indefeasible funds: first, to pay all costs and expenses not already paid; second, to pay us an amount equal to any unpaid Rent due and payable, together with the Liquidated Damage amounts specified in this part (ii), to the extent not previously paid; third, to pay us any interest accruing on the amounts covered by the preceding clauses, plus late charges, from and after the date the same becomes due, through the date of payment; fourth, to pay us an amount equal to any remaining obligations that you owe us under this Lease.

The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. You will remain liable for any deficiency and we will retain any excess after our exercise of these remedies. To the extent you are entitled to a refund from us, you agree we have the right to offset any obligation that you have with us or our affiliates with such refund.

**15. Return of Unit** On expiration of the Lease Term or if we demand possession of a Unit pursuant to the terms of the Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and the applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit; or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If the Unit is not in the condition required by Section 7 and the applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring the Unit into the required condition. You are obligated to pay holdover rent in the amount equal to 1/30th of the Monthly Rent plus any other costs and expenses for each day following the end of the Lease Term on any Unit that is not returned or purchased pursuant to the terms of this Lease.

**16. Purchase Option** At the expiration of the Lease, if no Event of Default has occurred and is continuing, you may choose to purchase any Unit for the Option Purchase Price set forth on the front of this Lease if this Lease includes an Option Purchase Price. In order to exercise a purchase option, you must send written notice to us at least sixty (60) days prior to the end of the Lease Term. Upon receipt of the Option Purchase Price and all other amounts owing under the Lease, plus any taxes or our other costs and expenses arising from the sale of the Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of sale without warranties except that the Unit is free of all encumbrances of any person claiming through us. You agree to purchase the Unit **"AS IS, WHERE IS, WITH ALL FAULTS."** Any applicable purchase option must be exercised as of the last day of the Lease Term and it is not available during any holdover period.

**17. Your Assurances and Representations** Each of us intends that: (i) this Lease constitutes a true "lease" and a "finance lease" as such terms are defined in Article 2A and not a sale or retention of a

security interest; (ii) you have selected the "Supplier" (as defined in Article 2A) and have directed us to purchase each Unit (excluding any Additional Collateral) from this Supplier; (iii) you were informed, before your execution of this Lease and are hereby informed in writing that you are entitled under Article 2A to the promises and warranties, including those of any third party, provided to us by the Supplier in connection with or as part of the purchase of the Units, and that you may communicate directly with the Supplier and receive an accurate and complete statement of those promises and warranties, including any disclaimers and limitations on remedies relating thereto; and (iv) we are and shall remain the owner of each Unit (unless sold by us pursuant to any Lease Document), and you shall not acquire any right, title or interest in or to such Unit except the right to use it in accordance with the terms hereof.

You represent and warrant to us that: (a) You will use each Unit for business purposes only and not for personal, family or household use. (b) You will provide all financial information and reporting as we may reasonably require. (c) All credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete. (d) You will not change your name, principal place of business or primary residence and, if you are a business entity, your state of formation or form of business organization (including by merger, consolidation, reincorporation or restructure) without prior written notice to us. (e) We may share any of your information provided by you, or gathered by us, with any affiliate of ours that has or may extend credit to you. (f) You will not assign this Lease or any right or obligation under it without our prior written consent.

You agree, at your expense, to do any act and execute, acknowledge, authorize, deliver, file, register, and record any documents that we deem desirable in our reasonable discretion to protect our title or rights in a Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents and authorize us to delegate these limited powers.

You will not remove, disable, or impair any Unit monitoring system such as Cat® Product Link, if the Unit is equipped with such system. You agree to permit Caterpillar Inc. or its subsidiaries or affiliates, including us (collectively "Caterpillar") and Caterpillar dealers to access data concerning the Unit, its condition, and its operation transmitted from the monitoring system. The information may be used: (1) to administer, implement, and enforce the terms of this Lease, (2) to recover the Unit if necessary, and (3) to improve Caterpillar's products and services. You agree that information transmitted may include, among other things, the serial number, VIN, location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

**18. Assignment; Counterparts** We may assign, sell or encumber all or any part of this Lease, the Rent, and the Units with or without notice to you. THE RIGHTS OF ANY SUCH ASSIGNEE WILL NOT BE SUBJECT TO ANY DEFENSE, COUNTERCLAIM OR SET OFF WHICH YOU MAY HAVE AGAINST US. If requested by us, you will assist us in the assignment of any of our rights under this Lease. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. In connection with any potential or actual assignment, you consent to the sharing of your credit file information, including personal information relating to your principals, with any potential assignee. Upon any assignment by us of our rights under this Lease, and except as may otherwise be provided herein, all references in this Lease to "Lessor", "we", "us", and "our" will mean the assignee. This Lease is for the benefit of, and is binding upon, your and our respective successors and assigns. Though multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged, and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible under the "best evidence rule." A signed copy of this Lease and any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be

binding as if manual signatures were personally delivered. You are hereby notified that we may assign our rights (but not our obligations) under this Lease and in the Units to CF Exchange, LLC, a qualified intermediary, as part of a 1031 exchange.

**19. Effect of Waiver; Entire Agreement; Notices; Applicable Law** Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and the Lease Documents completely state our and your rights and supersedes all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the State of Tennessee, without giving effect to the conflict-of-laws principles. You consent to the jurisdiction of any state or federal court located within the State of Tennessee. **THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS LEASE, THE OBLIGATIONS, OR THE UNITS.**

**20. No Agency; Modification of Lease; Miscellaneous** No person or entity, including, without limitation, the supplier or the manufacturer of the Units, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in blanks including for example correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and limited to the maximum lawful amount. All obligations under this Lease survive the expiration or termination of the Lease if necessary to give full effect to the terms of this Lease.

**By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including each Application Survey.**

## SIGNATURES

LESSOR

**Caterpillar Financial Services Corporation**

Signature \_\_\_\_\_

Name (print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

LESSEE

**CITY OF SEWARD**

Signature \_\_\_\_\_

Name (print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



**PARTIES**

**LESSOR ("we", "us" or "our"):**

**CATERPILLAR FINANCIAL SERVICES CORPORATION**  
2120 West End Avenue  
Nashville, TN 37203

**LESSEE ("you" or "your"):**

**CITY OF SEWARD**  
537 MAIN STREET  
SEWARD  
NE 68434

We and you agree to add the following paragraph to the Lease:

You represent and warrant to us that you (i) have sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and (ii) reasonably believe that funds can be obtained sufficient to make all rental payments during the term of the Lease. You hereby covenant that you will do all things reasonably within your power to obtain funds from which the rental payments may be made, including (i) providing for such payments to the extent necessary in each budget submitted for the purpose of obtaining funding and (ii) using your *bona fide* best efforts to have such portion of the budget approved. It is your intent to make rental payments for the full term of this Lease if funds are available therefor, and you represent that the use of the Units is essential to your proper, efficient and economic operation. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for rental payments due under this Lease, then you will immediately notify us of such occurrence and this Lease will terminate on the last day of the fiscal year for which appropriations were received. You will not incur any penalty or expense as a result of any such termination of this Lease, and you will have no obligation to make rental payments with respect to the remainder of the Lease, but you will be obligated to pay rental payments to the extent funds shall have been appropriated and budgeted or are otherwise available. In the event of such termination, you agree to return the Units to us pursuant to Section 15 of this Lease, and we will have all legal and equitable rights and remedies to take possession of the Units. Notwithstanding the foregoing, you agree that you will not cancel this Lease if any funds are appropriated for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units.

**SIGNATURES**

LESSOR

CATERPILLAR FINANCIAL SERVICES CORPORATION

Signature \_\_\_\_\_

Name (print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

LESSEE

CITY OF SEWARD

Signature \_\_\_\_\_

Name (print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



# Construction Equipment Application Survey

Customer Name: CITY OF SEWARD Location: 537 MAIN ST, , SEWARD, NE 68434  
 Make: Caterpillar Model: 120M2 Quantity: 1 Serial Number: VIN #:  
 Monthly Usage: 41.67 Current Hours: 9.00 Dealer: NEBRASKA MACHINERY COMPANY Dealer Location: OMAHA, NE

## \*\*\*\*\* IMPORTANT INFORMATION \*\*\*\*\*

**RESIDUAL EXCEPTION REQUESTS must be submitted to Lessor for the following applications: landfill, transfer and recycling stations; demolition, scrap yards and steel mills; salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; dusty or poor underfoot conditions; all mining applications. Any applications requiring unusual attachments, unit modifications or that involve non-traditional use of the unit. Any transaction with ten or more of one model.**

### MAJOR ATTACHMENTS:

Air Conditioning Cab

### BLADES/BUCKETS/RIPPERS:

Moldblade

### MARKET CATEGORIES:

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

### IF "SEVERE" OR "OTHER" DESCRIPTION OF ACTUAL APPLICATION REQUIRED:

## MAXIMUM USAGE:

The model listed and equipped as stated above will be operated an estimated total of **41.67 hours per month** over a term of **60 months** for total usage during the lease term of **2500.00 hours**. This total usage combined with any accumulated hours prior to the Lease inception date, as stated above under current hours, will be the **total allowable machine hours** for the life of the Lease and the basis for any overuse charges.

**Total Lease Hours 2500.00 + Current Hours 9.00 = Total Allowable Machine Hours 2509.00**

## OVERUSE CALCULATION:

In addition to Lessor's other rights hereunder and not in lieu thereof, Lessee shall pay Lessor additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be \$20.1 per hour.

**Please note: To avoid overuse charges, notify Lessor immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. The Lease may be adjusted to reflect the correct hour usage.**

## REMEDY FOR RETURN CONDITIONS:

Lessee will be invoiced for the parts and labor based on your local Caterpillar dealer's retail prices and retail labor rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in the **"REMAINING LIFE REQUIREMENTS"** section of the Mandatory Condition of the Unit Upon Return. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

### Life Remaining

50% or greater  
 31% to 49%  
 0% to 30%

### Charge to Lessee

No charge to Lessee  
 50% charge to Lessee  
 70% charge to Lessee

**SEE PAGE TWO FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE PART OF THIS APPLICATION SURVEY.**



LESSOR RETAINS THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING THE LEASE TERM AND/OR LEASE TERMINATION. A FULL UNIT INSPECTION MAY BE CONDUCTED AT LESSEE'S EXPENSE AT ANY TIME EVIDENCE DEMONSTRATES THAT THE UNIT(S) ARE BEING ABUSED FROM NEGLECT OR MISAPPLICATION.

## MANDATORY CONDITION OF EQUIPMENT UPON RETURN:

Notwithstanding the provisions of: Sections 7 and 15 of the Tax Lease, Lessee agrees that each Unit, upon its return, shall:

### MAINTENANCE AND GENERAL REQUIREMENTS:

- Give Lessor sixty (60) days notice prior to the Lease termination date of Lessee's intention to return any and all Units to Lessor.
- Return the Units in the same configuration, with all attachments, as when delivered at lease inception. Lessee is responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of Units to a site designated by Lessor.
- Ensure the Units upon return are thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- Operate and maintain all Units in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and insure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. All Units must be in good operating condition and be able to perform all tasks under rated load.
- Enroll all Units in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire lease, and insure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- Ensure all Units are operated only in the applications for which they were designed and manufactured.
- Maintain a working engine hour meter at all times. Keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- Ensure all service contracts are fully implemented and all maintenance and repairs are made on schedule. Product Improvement Programs (PIP's) must be complete before the Units are returned. **ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- Provide a secured place to store off-lease Units upon request from the Lessor. Provide access to the Units for purposes of maintenance or demonstration to prospective buyers at Lessor's request.

### SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

- Ensure the operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.

- Ensure all window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good working order and free from dents and cracks.
- Ensure all standard Caterpillar and non-Caterpillar safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- Ensure all electrical components, including but not limited to, wiring harness, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.
- Ensure all repairs made to main structures, including but not limited to, main frames, roller frames, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches must be accomplished in accordance with factory recommended materials and repair procedures.

### REMAINING LIFE REQUIREMENTS:

- Ensure all ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have fifty percent (50%) minimum remaining life.
- Return all track and rubber belted Units with a minimum of fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts cannot have any cuts that extend into the cords and must not be missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting the requirement.
- Return all rubber tire Units with a minimum of fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires must be a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

## SIGNATURES

This Application Survey is considered to be an integral part of the Lease between Lessor and Lessee. The information obtained from this Application Survey will be of primary importance in the Lease payment schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved in writing by Lessor.

**SEE PAGE ONE FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE PART OF THIS APPLICATION SURVEY.**

**CITY OF SEWARD**

**LESSEE**

Signature: \_\_\_\_\_

Name (PRINT): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CUSTOMER INFORMATION VERIFICATION**  
(Required Document)



In our efforts to continue providing timely customer service, we need your assistance confirming the following information. If any information is incorrect or missing, please note the necessary changes below and return this form with your signed documents. In addition, please review the Data Privacy Notice stated below. Thank you in advance for your cooperation.

**Purchase Order # for new contract:** \_\_\_\_\_

Current Information on file	Please make corrections here
Customer Name: CITY OF SEWARD	_____
Physical Address: 537 MAIN STREET	_____
SEWARD, NE 68434	_____
Mailing Address: PO BOX 38	_____
SEWARD, NE 68434	_____
Equipment Location: 537 MAIN ST	_____
SEWARD, NE 68434, SEWARD	_____
Business Phone: (402)643-2928	_____
E-mail Address: MARILYN.VARNER@CITYOFSEWARD.COM	_____
Accounts Payable Contact Name and Phone:	_____
<b>Tax Information</b>	
Sales Tax Rate: 0	_____

(Please note: Sales Tax Rate, includes all applicable State, County, and City sales tax)

City Limits Asset outside the City Limits? Yes\_\_\_ No\_\_\_

Tax Exemption Status: Please indicate if you are tax exempt.

☐ Exempt

☐ Non-Exempt

**If you are tax exempt - please enclose a current tax exemption certificate to be returned with your documents - Not needed by CFSC if dealer ISC**

**The information above has been reviewed and is accurate to the best of my knowledge with exception of any corrections as noted.**

**\*Should the above changes apply to ALL of your contracts, OR for this contract ONLY?**

☐ ALL CONTRACTS

☐ THIS CONTRACT ONLY

**THE ABOVE INFORMATION HAS BEEN REVIEWED AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE WITH EXCEPTION OF ANY CORRECTIONS AS NOTED.**

\_\_\_\_\_  
**Customer Initials**

**Data Privacy Notice:**

*This notice pertains to personal data supplied in connection with your credit application. By providing your information to Caterpillar Inc. or any of its subsidiaries or affiliates, including Caterpillar Financial Services Corporation (collectively "Caterpillar"), you are agreeing that the information may be shared among Caterpillar and its partners and dealers, and used to process your applications for credit and other orders and to improve or market Caterpillar products and services. If you have any questions pertaining to this notice, please contact the Data Privacy Coordinator at 615-341-8222.*



# Caterpillar Financial Services Corporation

## INVOICE

Page	Date	Invoice No.
1	09/09/2015	LSAP-454861762-1

CITY OF SEWARD  
537 MAIN STREET  
SEWARD, NE 68434

Description	Serial	VIN	Due Date	Pmt. No.	Amount
(1) 120M2 Caterpillar Motor Grader			Upon Receipt.	1	\$20,258.69
Sales and Use Tax					\$0.00
Document Fee					\$0.00
Filing Fee					\$0.00
Stamp Fee					\$0.00
Other Fees					\$0.00
Freight Fee					\$0.00
WITHOUT THE APPROPRIATE TAX EXEMPTION CERTIFICATE, APPLICABLE SALES AND/OR USE TAX WILL BE CHARGED.					

**PLEASE PAY THIS AMOUNT      \$      \$20,258.69**

Invoice No.	Total Enclosed
LSAP-454861762-1	\$

CITY OF SEWARD  
537 MAIN STREET  
SEWARD, NE 68434

Remit To: Caterpillar Financial Services Corporation  
5th Floor Document Services  
Doc Specialist: NEBRASKA MACHINERY COMPANY  
2120 West End Ave.  
Nashville, TN 37203

RETURN INVOICE AND CHECK FOR SPECIFIED PAYMENT(S) WITH SIGNED DOCUMENTS.

Your check will be cashed by Caterpillar Financial Services Corporation (CFSC) upon receipt, but that act will not constitute acceptance by CFSC of the Loan, Lease or Schedule. If CFSC accepts and executes the Loan, Lease or Schedule, the proceeds of this check will be applied to the specified payments. If CFSC does not accept the Loan, Lease or Schedule, CFSC will return an amount equal to this check.



4861762 09/09/2015 2:53 PM CT

This Purchase Agreement is between **NEBRASKA MACHINERY COMPANY** ("Vendor") and **Caterpillar Financial Services Corporation** ("Cat Financial"). Vendor agrees to sell to Cat Financial and Cat Financial agrees to buy from Vendor the equipment described below (the "Unit(s)"), subject to the terms and conditions set forth below and on the reverse side hereof.

<u>Description of Unit(s)</u>	<u>Serial#</u>	<u>VIN #</u>	<u>Freight</u>	<u>Total Price</u>
(1) 120M2 New Caterpillar Motor Grader			\$0.00	\$201,960.00

Lessee:  
CITY OF SEWARD  
537 MAIN STREET  
SEWARD NE 68434

Subtotal	\$201,960.00
Federal Excise Tax	0.00
Other Tax	0.00
Total Purchase Price	\$201,960.00
Unit(s) Delivery Point:	
537 MAIN ST	
SEWARD, NE 68434, SEWARD	

See next page for additional terms and conditions.

## SIGNATURES

### CATERPILLAR FINANCIAL SERVICES CORPORATION

Signature \_\_\_\_\_  
Name (print) \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

### NEBRASKA MACHINERY COMPANY

Signature \_\_\_\_\_  
Name (print) \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_



1. The lessee named on the front hereof (the "Lessee") has selected the Unit(s), instructed Cat Financial to purchase the Unit(s) from Vendor, and agreed to lease the Unit(s) from Cat Financial.
2. Cat Financial (or its assignee) will have no obligation hereunder (and any sums previously paid by Cat Financial to Vendor with respect to the Unit(s) shall be promptly refunded to Cat Financial) unless (a) all of the conditions set forth in Section 1.3 (if a master lease agreement) or Section 1 (if a non master lease agreement) of the lease with the Lessee covering the Unit(s) have been timely fulfilled and (b) the Lessee has not communicated to Cat Financial (or its assignee), prior to "Delivery" (as hereinafter defined) of the Unit(s), an intent not to lease the Unit(s) from Cat Financial. All conditions specified in this paragraph shall be deemed timely fulfilled unless prior to Delivery of the Unit(s), Cat Financial (or its assignee) shall notify Vendor to the contrary in writing, which shall include fax or email. "Delivery" shall mean the later of the time (a) Cat Financial executes this Purchase Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Unit(s).
3. Upon timely satisfaction of the conditions specified in Paragraph 2 above, ownership, title and risk of loss to the Unit(s) shall transfer to Cat Financial (or its assignee) upon Delivery of the Unit(s).
4. Vendor warrants that (a) upon Delivery of the Unit(s), Cat Financial (or its assignee) will be the owner of and have absolute title to the Unit(s) free and clear of all claims, liens, security interests and encumbrances and the description of the Unit(s) set forth herein is correct and (b) the Unit Transaction Price set forth on the front hereof for each unit of Unit(s) leased under a lease is equal to such Unit(s)'s fair market value.
5. Vendor shall forever warrant and defend the sale of the Unit(s) to Cat Financial (or its assignee), its successors and assigns, against any person claiming an interest in the Unit(s).
6. Provided that no event of default exists under any agreement between Lessee and Cat Financial and upon timely satisfaction of the conditions specified in Paragraph 2 above, and unless otherwise agreed to in this Purchase Agreement, Cat Financial (or its assignee) shall pay Vendor the total Purchase Price set forth on the front hereof for the Unit(s) within three business days following (a) the receipt and approval by Cat Financial of all documentation deemed necessary by Cat Financial in connection with the lease transaction and (b) all credit conditions have been satisfied.
7. Vendor shall deliver the Unit(s) to the Lessee at the delivery point set forth on the front hereof.
8. This Purchase Agreement may be assigned by Cat Financial to a third party. Vendor hereby consents to any such assignment.
9. This Purchase Agreement shall become effective only upon execution by Cat Financial.

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

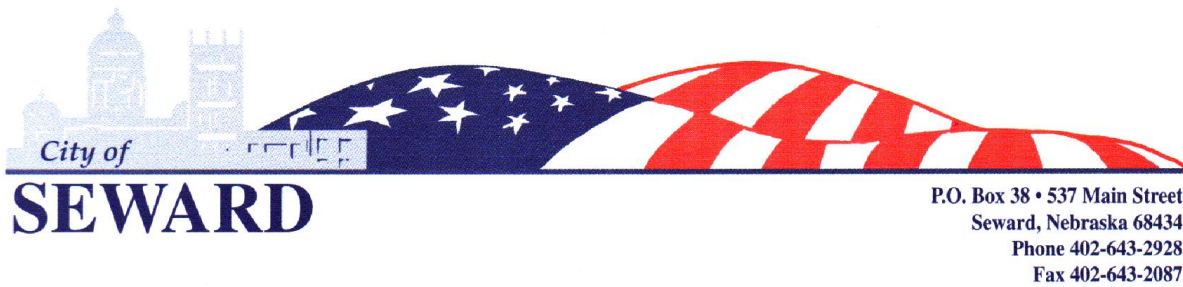
## **Item G11**

**REQUEST FOR UPDATE ON STATUS OF PROPOSED HOT  
MILL PROJECT TO INCLUDE DETAILS AND TIMELINE OF  
LAND PURCHASE OPTIONS ON RAIL CAMPUS PROPERTY -  
Councilmember Kamprath**

**Staff Contact:**



September 16, 2015



PUBLIC REQUEST FOR COUNCIL AGENDA ITEM OR ADMINISTRATIVE ACTION

CITIZEN REQUESTING ITEM: Sid Kamprath  
ADDRESS: 638 N Ave  
TELEPHONE NO: \_\_\_\_\_

-----  
AGENDA ITEM TITLE: Rail Campus Update / Purchase Options

EXPLANATION OF REQUEST:

I would like the council to be updated on the status of the proposed Hot Mill project and would also like the council to be briefed on the details and timeline of the land purchase options for the rail campus property. I realize that it may be necessary to go into closed session to discuss the purchase price of the options.

ACTION REQUESTED OF MAYOR AND COUNCIL:

Discussion.

Will this agenda item require the expenditure of funds? Yes\_\_ No X Unknown\_\_

Council meetings are held on the 1<sup>st</sup> & 3<sup>rd</sup> Tuesdays of every month. All requests for the Agenda must be submitted by noon on the Wednesday preceding the Council meeting. Once a request is received, Administration will review it and determine whether or not it requires Mayor/Council action, or whether it is an item that needs to be handled by staff.

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G12**

**CITY ADMINISTRATOR'S REPORT- Bruce Smith**

**Administrative Report: The City Council will receive an update on capital and other on-going projects.**

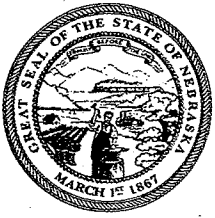
**Staff Contact:**

## **CITY ADMINISTRATORS REPORT – 10-6-15**

- Involved in discussions on the Seward Country Club. Have been to numerous meetings and met with all of the employees to discuss the operations of the golf course
- Continue working on the Rail Campus Project
- Attended the League of Nebraska Municipalities Meeting
- Hired Katrina Goldsmith as the new Aging Services Commission Assistant. She starts October 12.
- Discussions with NPPD on new wholesale power contract
- Received information from the NDOR of an increase in the purchase rate for the Federal Funds Purchase Program from 80% to 90% - see attached

The departments are working on the following projects to name a few:

- Finished Employee Targets for the next 6 months
- Will be performing flow and pressure testing on 10 fire hydrants
- Removed UV lights for the winter
- Had interviews with new applicants for a Police Officer
- Police Officer Jared Gerdes graduated from Basic Training
- Reviewing storm water issues on Star Street and St. John's Daycare areas
- Continuing the installation of LED street lights
- Directional boring on Star Street and Briarwood for new UGS.
- Finished street project on Denise Drive
- Completed Orscheln Drive replacement.
- The Library Fall Programs continue
- Fall recreation programs are continuing including youth football, soccer, volleyball, and HS softball
- Seward County Justice Center inspections
- Building Dept. attended an ADA Conference
- Updating Civil Rights Plan
- General maintenance of all facilities, doing utility locates
- Interviewing part-time help for the Recycling Center



Pete Ricketts  
Governor

## STATE OF NEBRASKA

DEPARTMENT OF ROADS

Kyle Schneweis, P.E., Director

1500 Highway 2 • PO Box 94759 • Lincoln NE 68509-4759  
Phone (402) 471-4567 • FAX (402) 479-4325 • www.roads.nebraska.gov

September 15, 2015

City of Seward  
City Clerk  
Bonnie Otte  
537 Main  
P.O. Box 38  
Seward, Nebraska 68434-0038

COPY

Dear Bonnie,

The Nebraska Department of Roads is pleased to announce the change in the purchase rate of funds for each Local Public Agencies under the Federal Funds Purchase Program (FFPP). Effectively immediately, and starting with the 2015 payment you will be receiving in March 2016, the new purchase rate will increase from 80% to 90%.

Attached is a signed memo from **Nebraska Department of Roads', Director, Kyle Schneweis**, which addresses the change and serves as documentation and justification for this change.

Attached you will also find the funding amounts for STP and Bridge funds at the 90% rate for FY-2015.

If you have any questions, please feel free to contact myself for the Local Projects Section.

Sincerely,

Mick Syslo  
Materials and Research Engineer

cc: Melvin Aldrich, Street Superintendent

*An Equal Opportunity Employer*



Pete Ricketts  
Governor

## STATE OF NEBRASKA

DEPARTMENT OF ROADS

Kyle Schneweis, P.E., Director

1500 Highway 2 • PO Box 94759 • Lincoln NE 68509-4759  
Phone (402) 471-4567 • FAX (402) 479-4325 • [www.roads.nebraska.gov](http://www.roads.nebraska.gov)

September 15, 2015

To Whom It May Concern:

In 2011, all of Nebraska's Local Public Agencies (LPA's) and the Nebraska Department of Roads (NDOR) entered into a Federal-Aid Transportation Fund Purchase-Sale Agreement known as the Federal Fund Purchase Program (FFPP). This program provided the ability for the State to purchase the LPA's share of certain federal funds used by LPA's in exchange for state dollars. State dollars will allow local agencies to tailor projects to better meet their local needs. The purchase rate established with this original agreement was 80% to cover the risks incurred by the state to meet all of the federal-aid requirements.

Over the past year, NDOR and the Federal Highway Administration have worked to develop project delivery efficiencies that have reduced project delivery times. These efficiencies, from potentially earlier project delivery, will have direct monetary values from savings in preliminary engineering and construction costs. The Department of Roads then conducted a re-evaluation of the purchase rate considering these newly developed efficiencies to see how these savings could be passed on to the LPA's. This will result in a new purchase rate of 90 percent instead of the current 80 percent. This higher funding level will be paid out with the next annual purchase of federal funds in March 2016.

This letter will serve as the documentation to reflect that change in the purchase price. All other aspects of the existing Original and Supplemental Agreements shall remain as agreed to in those documents.

Sincerely,

Kyle Schneweis, P.E.  
Director

KS/MS

*An Equal Opportunity Employer*

<b>FEDERAL FUND PURCHASE PROGRAM AT 90%</b>		
	<b>FEDERAL FY-15</b>	<b>FEDERAL FY-15</b>
<b>CITIES</b>	<b>STP</b>	<b>BRIDGE</b>
ALLIANCE	151,682	-
BEATRICE	222,566	-
BELLEVUE		20,224
BLAIR	142,732	-
CHADRON	104,522	-
COLUMBUS	394,987	942
CRETE	124,332	7,276
FREMONT	471,552	93,979
GERING	151,843	-
GRAND ISLAND	866,753	25,803
HASTINGS	444,935	33,526
HOLDREGE	98,162	-
KEARNEY	549,974	11,451
LA VISTA		-
LEXINGTON	182,747	-
LINCOLN		141,951
MCCOOK	137,516	-
NEBRASKA CITY	130,210	65,120
NORFOLK	432,483	17,341
NORTH PLATTE	441,826	8,132
OMAHA		650,688
PAPILLION		9,406
PLATTSMOUTH	116,150	-
RALSTON		-
SCHUYLER	110,952	-
SCOTTSBLUFF	268,654	-
SEWARD	124,404	-
SIDNEY	120,706	-
SOUTH SIOUX CITY	238,535	-
WAYNE	101,110	-
YORK	138,730	4,587
<b>TOTAL</b>	<b>\$6,268,063</b>	<b>\$1,090,426</b>

# **City of Seward, NE**

**Tuesday, October 6, 2015**

**Regular Session**

## **Item G13**

**CONSIDERATION OF A TORT CLAIM FROM JAY AND  
CONNIE SEITSINGER, 848 N 6TH ST FOR PERSONAL  
PROPERTY DAMAGE - City Atty Hoffschneider**

**Staff Contact:**

# BLEVENS & DAMMAN

ATTORNEYS AT LAW

129 North 5<sup>th</sup> Street  
P.O. Box 98  
Seward, NE 68434  
Tel/402.643.3639  
Fax/402.643.6753

August 31, 2015



Bonnie Otte, Clerk  
City of Seward  
537 Main Street  
Seward, NE 68434

CERTIFIED MAIL  
RETURN RECEIPT  
REQUESTED

Re: Tort Claim – Jay & Connie Seitsinger, 848 N. 6<sup>th</sup> St., Seward, Nebraska

Dear Ms. Otte:

I represent Jay and Connie Seitsinger, who reside at 848 N. 6<sup>th</sup> St., Seward, Nebraska. Please consider this letter to be my clients' tort claim against the City of Seward, Nebraska, pursuant to the Political Subdivisions Tort Claims Act, Neb. Rev. Stat. Section 13-901, et seq. This claim is being filed with your office for immediate consideration by the City of Seward. The claim is based upon the following:

In June of 2014, sewer water backed up into the basement of the Seitsinger residence located at 848 N. 6<sup>th</sup> Streets, Seward, Nebraska. The Seitsinger's insurance company paid the claim for damage and then canceled their insurance coverage. The Seitsingers then obtained homeowner's insurance coverage through Homesite Indemnity Co. However, due to the claim history, the coverage was limited to \$5,000.00 with a \$500.00 deductible. On January 8, 2015, the Seitsingers again had sewer water back up into their basement. The City sewer department was contacted along with plumber Marlin Matulka. Mr. Matulka and a City employee conducted an inspection and it was obvious that the problem was caused by a blockage in the City sewer main. The main was cleared, and the water drained out of the Seitsinger residence. The Seitsingers' insurance company paid All Care, Inc., \$4,500.00, for the clean up expense, and \$6,152.84 is still owed to All Care, Inc. In addition, the Seitsingers incurred personal property and incidental expenses in the amount of \$1,068.00. To make matters worse, Homesite Indemnity Co. has now also canceled the Seitsingers' homeowner's insurance coverage, and they have been unable to find a company willing to insure their property. Supporting documentation is attached.

Based upon the above facts, the Seitsingers are submitting this tort claim to the City of Seward, Nebraska, for damages in the amount of \$11,720.84. This claim is based upon the negligence of the City of Seward in failing to maintain the sewer main that serves the Seitsingers' property. We are requesting that this claim be acted upon as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory C. Damman".

Gregory C. Damman

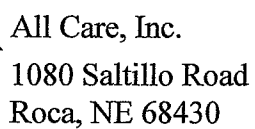
Gcd/se  
C: Jay & Connie Seitsinger

Robert I. Blevens  
bobblevens@windstream.net

[www.blevens-damman.com](http://www.blevens-damman.com)

Gregory C. Damman  
gregdamman@windstream.net





Date
7/1/2015

To:	
Connie Seitsinger 848 N. 6th Seward, NE 68434	

Seward

CONNIE SEITSINGER  
JAY SEITSINGER  
848 N 6TH ST  
SEWARD, NE 68434-1410

RE: Our Insured: CONNIE SEITSINGER

Policy Number: 32855428

Date of Loss: January 8, 2015

CLAIM NUMBER: 0001440222



June 8, 2015

Dear Connie Seitsinger & Jay Seitsinger,

Thank you for submitting your claim for consideration of coverage. After a thorough investigation and evaluation of your claim, we have determined that the loss payable under the policy at this time is \$5000.00. We have arrived at that figure through the following calculations:

	RCV (replacement cost value)	Non-Recoverable Depreciation	Less Deductible.	Net
Building Coverage – A	\$5000.00	\$	\$	
Other Structures Coverage – B	\$	\$	\$	
Contents Coverage – C	\$	\$	\$	
Loss of Use Coverage – D	\$	\$	\$	
Total	\$5000.00	\$	\$0.00	\$5000.00

A direct deposit in the amount of \$5000.00 has been made to your account. Under a separate cover, you will receive a copy of the repair estimate.

Your claim continues to be important to us. Should you have any questions or concerns please feel free to contact me at the number below. Thank you for insuring your property with GEICO Property Insurance Program.

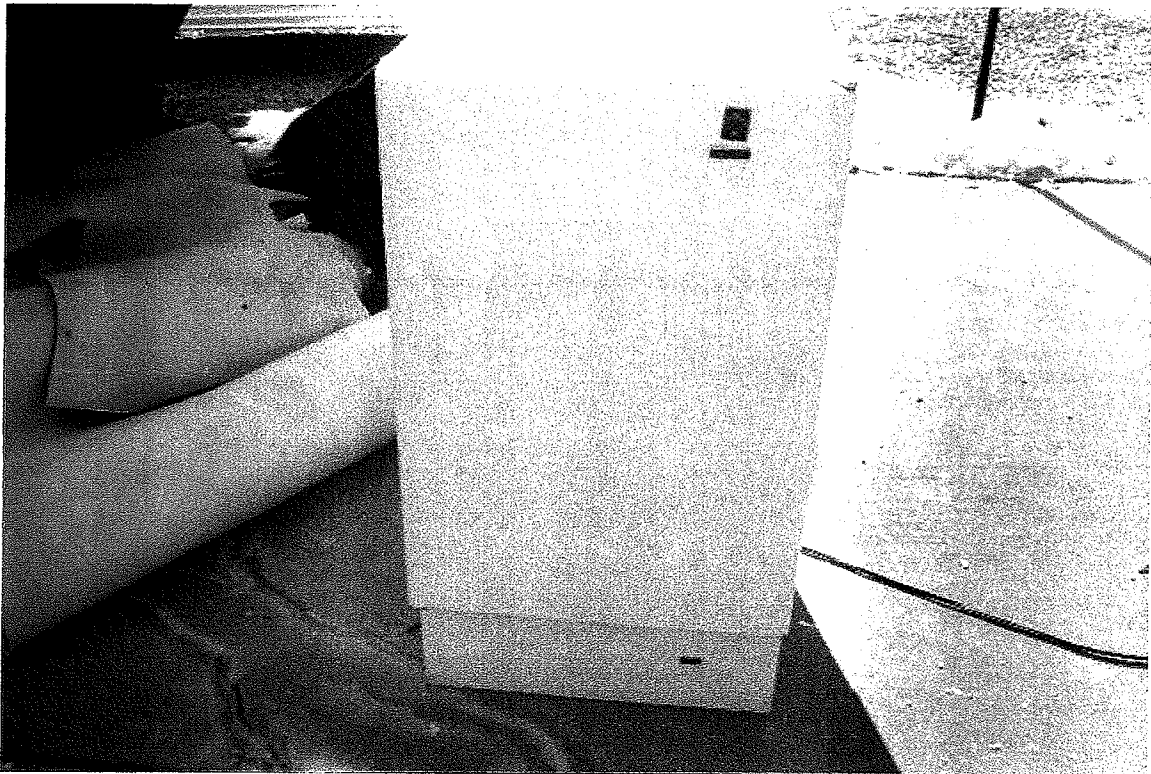
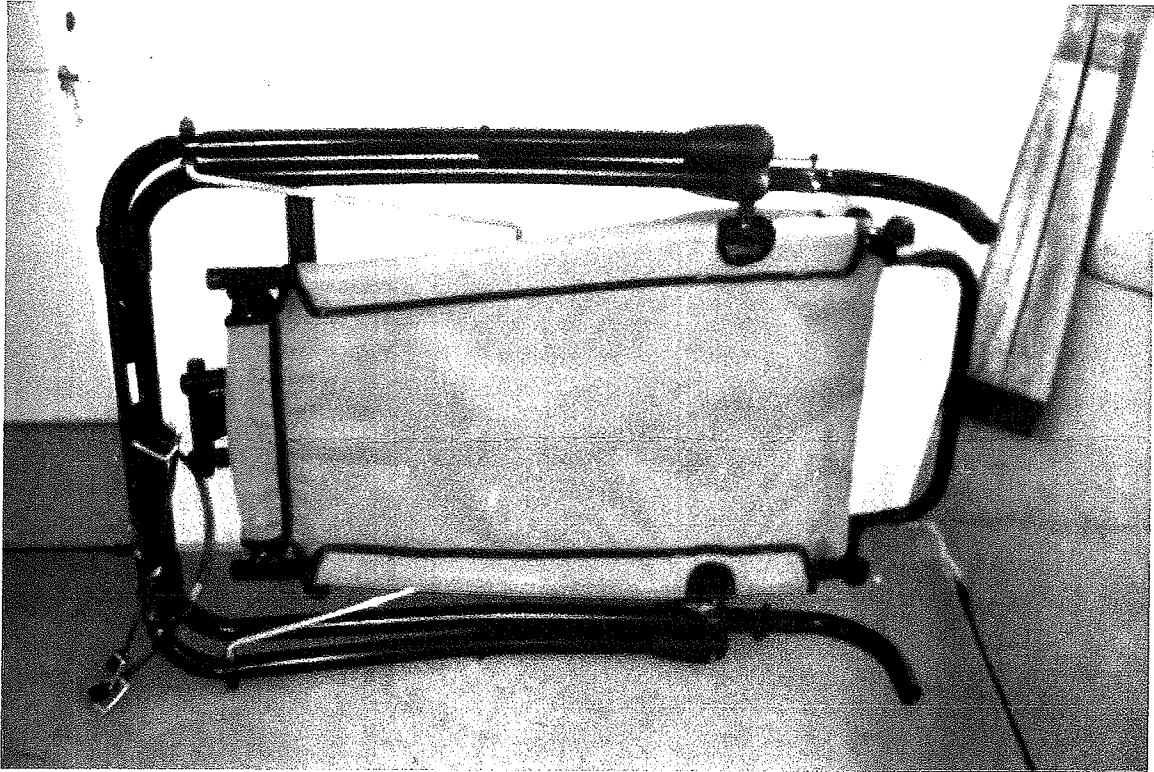
\*\*\*When sending e-mail or faxes, please be sure to include your claim number in the subject line\*\*\*

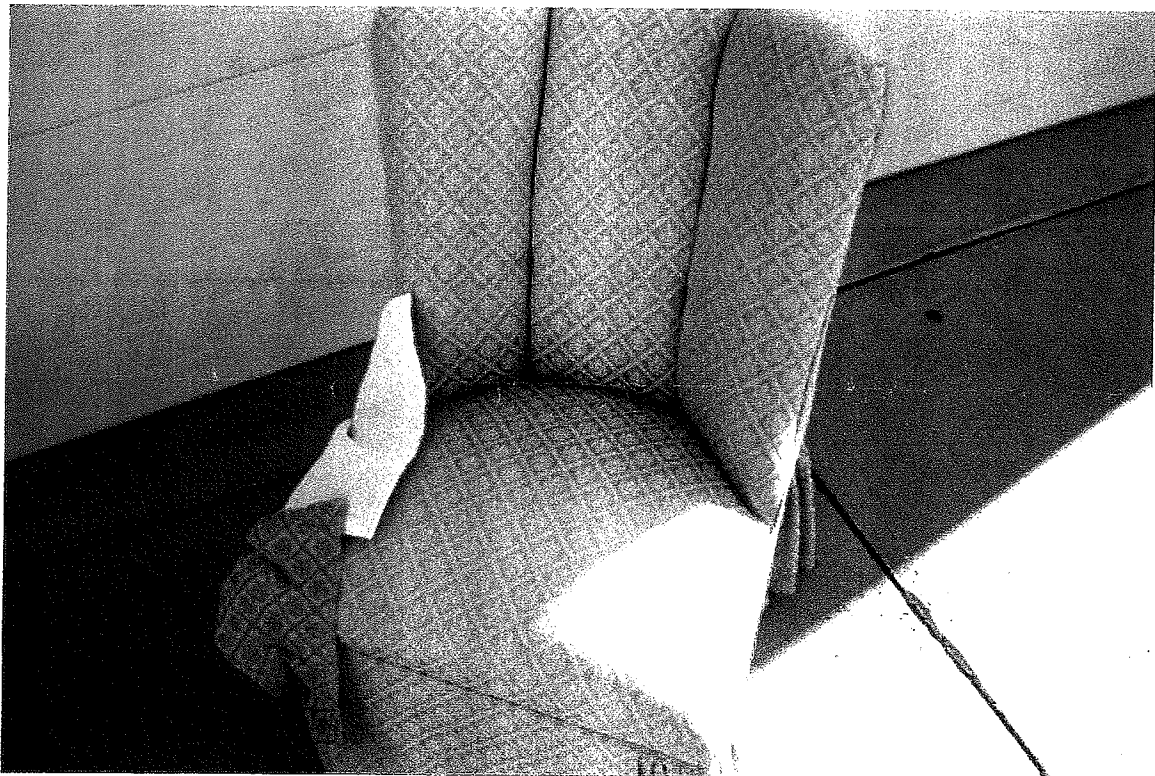
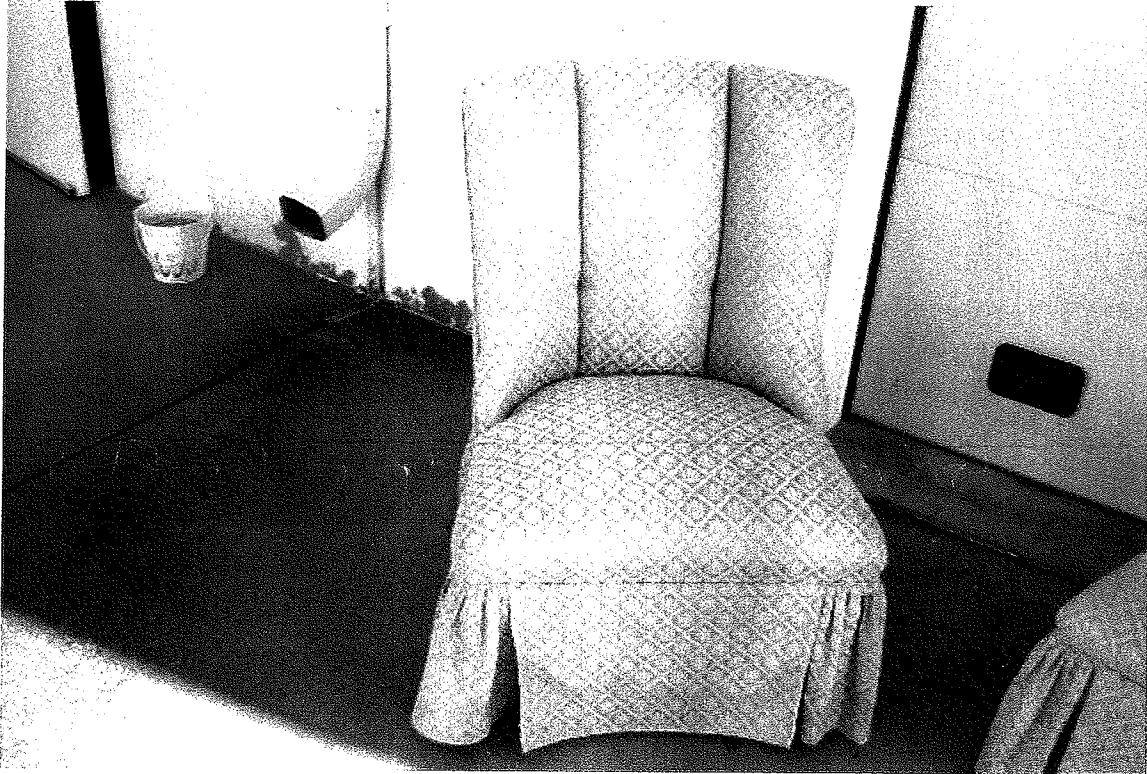
Sincerely,

Carmen Dunkle  
Claims Associate  
1 (866) 621-4823 5599267  
claims@homesite.com

The following notice is required by law in certain jurisdictions:

**Any person who knowingly and with the intent to defraud any insurance company submits an application or statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.**





Freezer	400.00	
Rug	200.00	
Ab lounge	300.00	
Vet Bill	62.00	Buddy
Vet Bill	43.00	Barney
Body pillow	15.00	
Hamper	10.00	
trash can	8.00	
late Bill	30.00	more with dryer

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G14**

**FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR  
ADMINISTRATIVE ACTION - Mayor Eickmeier**

**Administrative Report:** This item is to allow Council members an opportunity to request future agenda items. To remain in compliance with the open meetings law, no discussion of an item will be allowed beyond what is necessary to clarify the request.

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G15**

**ANNOUNCEMENT OF UPCOMING EVENTS - Mayor  
Eickmeier**

*October 25 @ 10:00 a.m. - 5:00 p.m. - Seward Youth Center Fundraiser - 4th Street between Hwy 34 & South Street*

*October 31 @ 4:30-7:00 - United Methodist Church-Halloween Trunk N Treat-Northern Heights to Crestwood on N 5th*

*November 28 @ 5:30 p.m. - Annual Holiday Lighted Parade*

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, October 6, 2015**  
**Regular Session**

**Item G16**

**MOTION TO ADJOURN**

**Staff Contact:**